

Minute Action

AGENDA ITEM: 16

Date: May 12, 2010

Subject: Project Advancement Agreements

Recommendation:* Approve the following Project Advancement Agreements (PAAs):

1. C09182- PAA with City of Rancho Cucamonga for various arterial projects in the amount of \$7,321,520 public share commitment from the Valley Major Street Program.
2. C09183- PAA with City of Rialto for various arterial projects in the amount of \$913,800 public share commitment from the Valley Major Street Program.
3. C09184- PAA with City of Chino for various arterial projects in the amount of \$5,776,610 public share commitment from the Valley Major Street Program.
4. C09185- PAA with City of Highland for various arterial projects in the amount of \$168,664 public share commitment from the Valley Major Street Program. (\$92,694 after reduction due to application of federal safe routes to school funds)
5. C10092- PAA with County of San Bernardino for the I-10 Pepper Interchange project in the amount of \$6,600,000 public share commitment from the Valley Freeway Interchange Program.

Background: The Project Advancement process was designed to allow for the reimbursement of Measure I 2010-2040 dollars for expenditures on Nexus Study projects delivered prior to the availability of revenue from the new Measure in April 2010. A PAA allows for reimbursement on projects that initiate construction no later than January 2009. It was the intent that eligible expenditures on Nexus Study projects for which construction begins after January 2009 be captured under the

Approved
Board of Directors

Date: _____

Moved:

Second:

In Favor:

Opposed:

Abstained:

Witnessed: _____

normal Measure I 2010-2040 allocation process or under the Advance Expenditure (AE) program, for qualifying projects.

As of October 2007, 19 Valley jurisdiction PAAs had been approved, representing up to \$27.7 million in PAA obligations for the Valley Interchange Program and \$70.1 million in obligations for the Valley Major Streets Program. Subsequent requests were received, but the execution of additional PAAs was put on hold until further work on the PAA repayment process was completed. Following resolution of this procedural issue, SANBAG issued a final call for Project Advancement Program projects in a letter dated December 8, 2008, with a closing date for response of January 31, 2009. This solicitation was an effort to finalize documentation and SANBAG commitments to Nexus Study projects that met the Project Advancement Program criteria.

Five jurisdictions responded to that call: City of Rancho Cucamonga (22 projects), City of Rialto (5 projects), City of Chino (5 projects), City of Highland (3 projects) and County of San Bernardino (1 project). The new PAA requests consist of \$6.6 million of additional PAA obligations for the Valley Interchange Program and \$14.1 million of additional obligations for the Valley Major Street Program.

On June 3, 2009 the SANBAG Board received information on the requests for additional Project Advancement Agreements. The Board directed staff to complete a financial analysis of the impact of the additional PAAs. The net effect of executing the new PAAs would be to add 2-3 years to the payback of PAAs for the Valley Major Street Program and approximately 2 years for the Valley Interchange Program, assuming that 40% of the respective program revenues are allocated to PAA reimbursement each year. Current estimates are that the PAAs (existing plus new) for the Major Street Program could be repaid over a 12 year period assuming dedication of 40% of the revenue. The Interchange Program could require up to 9 years for repayment. This is dependent on the actual flow of revenue from the Measure I apportionment decisions made by the SANBAG Board of Directors and recognizes that PAA repayment is subordinate to the demands of debt service on SANBAG bonds. A listing of all the projects in the Project Advancement Program is attached. The second page represents those projects that would be added to the program under this recommendation.

Financial Impact:

This item has no immediate financial impact. However, the additional PAA's will commit SANBAG to reimbursement of up to an additional \$6,600,000 in Measure I 2010-2040 revenues from the Valley Interchange Program and \$14,104,624 in revenues from the Valley Major Street Program. This will bring the total of PAA obligations to \$34,337,253 in the Valley Interchange Program and \$84,165,748 in the Valley Major Street Program. The additional PAAs will not increase

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SANBAG's financial obligation in any given year, but will increase the number of years over which reimbursement to local jurisdictions will occur.

Reviewed By: This item was reviewed and unanimously recommended for approval by the Plans and Program Committee on April 21, 2010.

Responsible Staff: Ty Schuiling, Director of Planning and Programming

MEASURE 1 2010-2040

Project Advancement Program - Project Status

Valley Freeway Interchange Projects--WITH EXISTING PAA AGREEMENT

Agency	Contract No.	Board Approval	Agenda Item	Project Location	Project Description	Cost Estimate	Measure Share
Yucaipa	C07047	08/02/2006	brd0608a-abz	I-10 at Oak Glen/Live Oak	Interchange Reconstruction	\$18,403,246	\$8,286,872
Fontana	C07129	12/06/2006	brd0612b-abz	I-15 at Duncan Canyon Rd	Construct New Interchange	\$18,000,000	\$4,068,000
Rialto	C07170	04/04/2007	brd0704c-abz	I-10 at Riverside Avenue	Interchange Reconstruction	\$30,400,000	\$17,382,581
TOTAL MEASURE COMMITMENT TO VALLEY FREEWAY INTERCHANGE PROJECTS							\$27,737,253

Valley Major Street Projects --WITH EXISTING PAA AGREEMENT

Agency	Contract No.	Board Approval	Agenda Item	Project Location	Project Description	Cost Estimate	Measure Share
Chino Hills	C07022	07/05/2006	brd0607b-abz	Peyton Dr	Widen from Grand Av to Chino Hills Pkwy	\$15,167,000	\$8,202,776
TOTAL MEASURE COMMITMENT TO CHINO HILLS							\$8,202,776
Fontana	C07058	12/06/2006	brd0612b-abz	Baseline Ave.	Widen from Citrus Ave to 330' East of Mango Ave	\$7,550,000	\$5,134,000
Fontana	C07059	12/06/2006	brd0612b-abz	Cherry Ave	Widen from Jurupa Ave to Slover Ave	\$3,170,000	\$2,114,800
Fontana	C07060	12/06/2006	brd0612b-abz	Foothill Ave	Widen from East Ave to Hemlock Ave	\$7,400,000	\$5,032,000
Fontana	C07061	12/06/2006	brd0612b-abz	Sierra Ave	Widen from Baseline Ave to Walnut Ave	\$7,800,000	\$5,304,000
Fontana	C07062	12/06/2006	brd0612b-abz	Jurupa Ave	Widen from Etiwanda Ave to Sierra Ave	\$12,000,000	\$8,160,000
Fontana	C07063	12/06/2006	brd0612b-abz	Citrus Ave	Widen from Baseline Ave to So. Highland Ave	\$4,000,000	\$2,720,000
Fontana	C07064	12/06/2006	brd0612b-abz	Walnut Ave	Widen from Citrus Ave. to Sierra Ave	\$4,200,000	\$2,856,000
Fontana	C07065	12/06/2006	brd0612b-abz	So. Highland Ave	Widen from San Sevaline Rd to Citrus Ave	\$4,000,000	\$2,720,000
Fontana	C07066	01/10/2007	brd0701a-abz	Cypress Ave	Construct Overcrossing at I-10	\$20,000,000	\$10,245,502
TOTAL MEASURE COMMITMENT TO FONTANA							\$44,286,302
Highland	C08016	10/03/2007	brd0710a-abz	Greenspot Rd	Improvements (widening) from SR-30 to Boulder	\$2,710,000	\$523,416
TOTAL MEASURE COMMITMENT TO HIGHLAND							\$523,416
R Cucamonga	C07025	08/02/2006	brd0608b-abz	Haven Ave	Construct Grade Separation	\$15,910,000	\$13,856,000
TOTAL MEASURE COMMITMENT TO RANCHO CUCAMONGA							\$13,856,000
Yucaipa	C07098	10/04/2006	brd0610a-abz	Yucaipa Blvd	Widen South Side from 5th St to 12th St	\$2,898,400	\$1,224,750
Yucaipa	C07099	10/04/2006	brd0610b-abz	Oak Glen Rd	Widen from 2nd St to Bryant	\$500,000	\$345,000
Yucaipa	C07100	10/04/2006	brd0610c-abz	Oak Glen Rd	Widen from Yucaipa Bl to Avenue E	\$1,800,000	\$1,242,000
Yucaipa	C07101	10/04/2006	brd0610d-abz	Wildwood Canyon Rd	Intersection Improvements at 5th St	\$551,805	\$360,880
TOTAL MEASURE COMMITMENT TO YUCAIPA							\$3,192,630
TOTAL MEASURE COMMITMENT TO VALLEY MAJOR STREET PROJECTS							\$70,061,124

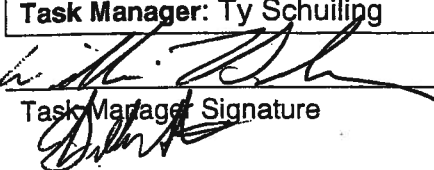
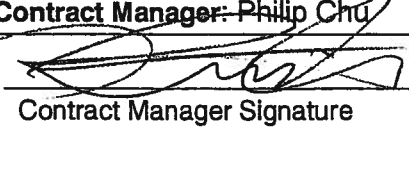
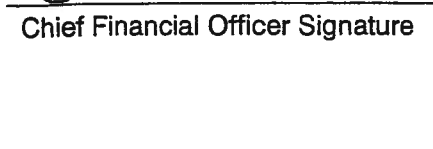
Valley Freeway Interchange Projects – New PAA Agreements

Agency	Contract No.	Board Approval	Agency Item	Project Location	Project Description	Cost Estimate	Measure Share
SB County	C10082	05/05/2010	brd1005a-pc	L-10 Pepper Ave	L-10 Freeway Interchange	\$10,000,000	\$6,600,000
					TOTAL MEASURE COMMITMENT TO VALLEY FREEWAY INTERCHANGE PROJECTS	\$10,000,000	\$6,600,000
Valley Major Street Projects – New PAA Agreements							
Agency	Contract No.	Board Approval	Agency Item	Project Location	Project Description	Cost Estimate	Measure Share
R Cucamonga	C09182	05/05/2010	brd1005a-pc	Haven Ave	Widening from Baseline Rd to L-210 Fwy Westside	\$6,000,000	\$4,260,000
R Cucamonga	C09182	05/05/2010	brd1005a-pc	Church St	Widening from Archibald to Haven 2 to 4 lanes	\$1,152,000	\$817,920
R Cucamonga	C09182	05/05/2010	brd1005a-pc	4th and Richmond	New traffic signal	\$158,000	\$112,180
R Cucamonga	C09182	05/05/2010	brd1005a-pc	4th and Utica	New traffic signal (50% Ontario)	\$158,000	\$112,180
R Cucamonga	C09182	05/05/2010	brd1005a-pc	6th and Buffalo	New traffic signal	\$158,000	\$112,180
R Cucamonga	C09182	05/05/2010	brd1005a-pc	6th and Utica	New traffic signal	\$158,000	\$112,180
R Cucamonga	C09182	05/05/2010	brd1005a-pc	Archibald and Banyan	New traffic signal	\$158,000	\$112,180
R Cucamonga	C09182	05/05/2010	brd1005a-pc	Archibald and San Bernardino	New traffic signal	\$158,000	\$112,180
R Cucamonga	C09182	05/05/2010	brd1005a-pc	Archibald and Victoria	New traffic signal	\$158,000	\$112,180
R Cucamonga	C09182	05/05/2010	brd1005a-pc	Arrow and Center	New traffic signal	\$158,000	\$112,180
R Cucamonga	C09182	05/05/2010	brd1005a-pc	Banyan and Wardman Bullock	New traffic signal	\$158,000	\$112,180
R Cucamonga	C09182	05/05/2010	brd1005a-pc	Carnelian and Wilson	New traffic signal	\$158,000	\$112,180
R Cucamonga	C09182	05/05/2010	brd1005a-pc	Church and Elm	New traffic signal	\$158,000	\$112,180
R Cucamonga	C09182	05/05/2010	brd1005a-pc	Day Creek and Madrigal	New traffic signal	\$158,000	\$112,180
R Cucamonga	C09182	05/05/2010	brd1005a-pc	Foothill and Cornwell	New traffic signal	\$158,000	\$112,180
R Cucamonga	C09182	05/05/2010	brd1005a-pc	Foothill and East Ave	New traffic signal (50% Fontaine)	\$158,000	\$112,180
R Cucamonga	C09182	05/05/2010	brd1005a-pc	Foothill and Malachite	New traffic signal	\$158,000	\$112,180
R Cucamonga	C09182	05/05/2010	brd1005a-pc	Haven and Trademark	New traffic signal	\$158,000	\$112,180
R Cucamonga	C09182	05/05/2010	brd1005a-pc	Haven and Wilson	New traffic signal	\$158,000	\$112,180
R Cucamonga	C09182	05/05/2010	brd1005a-pc	Hermosa and Church	New traffic signal	\$158,000	\$112,180
R Cucamonga	C09182	05/05/2010	brd1005a-pc	Wilson and San Seavine	New traffic signal	\$158,000	\$112,180
R Cucamonga	C09182	05/05/2010	brd1005a-pc	Wilson and Wardman Bullock	New traffic signal	\$158,000	\$112,180
					TOTAL MEASURE COMMITMENT TO RANCHO CUCAMONGA	\$7,321,620	
Chino	C09184	05/05/2010	brd1005a-pc	Chino Avenue	Widen from Fern to Euclid (2 to 4 lanes)	\$4,585,000	\$2,236,850
Chino	C09184	05/05/2010	brd1005a-pc	Kimbell Ave	Widen from Euclid to Hellman (2 to 4 lanes)	\$6,661,000	\$3,263,890
Chino	C09184	05/05/2010	brd1005a-pc	Pine and Mill Creek	New traffic signal	\$181,000	\$88,690
Chino	C09184	05/05/2010	brd1005a-pc	Pine and West Preserve Loop	New traffic signal	\$181,000	\$88,690
Chino	C09184	05/05/2010	brd1005a-pc	Fern and Riverside Dr.	New traffic signal	\$201,000	\$98,490
					TOTAL MEASURE COMMITMENT TO CHINO	\$5,776,610	
Rialto	C09183	05/05/2010	brd1005a-pc	Bloomington Ave and Willow Ave	New traffic signal	\$395,000	\$237,000
Rialto	C09183	05/05/2010	brd1005a-pc	Merrill Ave and Willow Ave	New traffic signal	\$282,000	\$169,200
Rialto	C09183	05/05/2010	brd1005a-pc	Cactus Ave and Walnut Ave	New traffic signal	\$282,000	\$169,200
Rialto	C09183	05/05/2010	brd1005a-pc	Cactus and Randall Ave	New traffic signal	\$282,000	\$169,200
Rialto	C09183	05/05/2010	brd1005a-pc	Riverside Ave and Alder Ave	New traffic signal	\$282,000	\$169,200
					TOTAL MEASURE COMMITMENT TO RIALTO	\$913,800	
Highland	C09185	05/05/2010	brd1005a-pc	9th Street	9th Street from Cunningham Street to 192' east of Cunningham Street (South side only)	\$26,587	
Highland	C09185	05/05/2010	brd1005a-pc	9th Street	9th Street from 380' east of Cunningham Street to 920' east of Cunningham Street (South side only)	\$98,662	
Highland	C09185	05/05/2010	brd1005a-pc	9th Street	9th Street from Elmwood Street to Sterling Avenue (South side only)	\$506,424	
					SUB TOTAL	\$631,673	
					Safe route to school (buydown total cost)	-\$317,002	
					TOTAL COST AFTER BUYDOWN (\$3.6%)	\$314,671	\$168,684
					TDA Article 3 (buydown public share)	-75870	
					TOTAL MEASURE COMMITMENT TO HIGHLAND		\$92,694
					TOTAL MEASURE COMMITMENT TO VALLEY MAJOR STREETS PROJECTS		\$14,104,624

SANBAG Contract No. **C09182**
by and between SANBAG and City of Rancho Cucamonga
for Project Advancement Agreements for Various Nexus Study Projects

FOR ACCOUNTING PURPOSES ONLY						
<input checked="" type="checkbox"/> Payable <input type="checkbox"/> Receivable	Vendor Contract # <u>C09182</u> Vendor ID <u>RANCHOCU</u>	Retention: <input type="checkbox"/> Yes ____ % <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Original <input type="checkbox"/> Amendment			
Notes: This is a Measure I 2010-2040 Project Advancement Agreement with repayment according to 2010- 2040 Strategic Plan						
Original Contract: \$ <u>7,321,520</u>		Previous Amendments \$ ____				
		Previous Amendments \$ ____				
Contingency / Allowance Amount \$ ____		Contingency / Allowance Total:				
		Current Amendment: \$ ____				
		Current Amendment Contingency / Allowance: \$ ____				
Contingency Amount requires specific authorization by Task Manager prior to release.						
Contract TOTAL ►						\$ <u>7,321,520</u>
* Funding sources remain as stated on this document unless and until amended by proper authority. Funding sources are those which are ultimately responsible for the expenditure.						
▼ Include funding allocation for the original contract or the amendment						
Main Task/ Project	Level 1	Level 2	Cost Code/ Object	Grant ID/ Supplement	Funding Sources/ Fund Type (Measure I, STP, CMAQ, etc.)	Amounts for Contract Total or Current Amndmnt Amt
<u>0610</u>	<u>190</u>	<u>120</u>	_____	<u>99082</u>	<u>MI 2010-40 Valley Major Street</u>	\$ <u>7,321,520</u>
_____	_____	_____	_____	_____	_____	\$ ____
_____	_____	_____	_____	_____	_____	\$ ____
_____	_____	_____	_____	_____	_____	\$ ____
Original Board Approved Contract Date: <u>5/5/10</u>				Contract Start: <u>5/5/10</u>		Contract End: <u>4/5/25</u>
New Amend. Approval (Board) Date: _____				Amend. Start: _____		Amend. End: _____
Allocate the Total Contract Amount or Current Amendment amount between Approved Budget Authority in the current year and Future Fiscal Year(s) Unbudgeted Obligation .						
Approved Budget Authority ►		Fiscal Year: _____ \$ ____		Future Fiscal Year(s) – Unbudgeted Obligation ►		\$ <u>7,321,520</u>
<input type="checkbox"/> Budget authority for this contract currently exists in Task No. _____ (C-Task may be used here.).						
<input type="checkbox"/> A budget amendment is required. A Budget Amendment Request is attached.						

CONTRACT MANAGEMENT	
Check all applicable boxes:	
<input checked="" type="checkbox"/> Intergovernmental	<input type="checkbox"/> Private
<input type="checkbox"/> Disadvantaged Business Enterprise (DBE)	<input type="checkbox"/> Underutilized DBE (UDBE)
<input type="checkbox"/> Federal Funds	<input type="checkbox"/> State/Local Funds

Task Manager: Ty Schuiling	Contract Manager: Philip Chu
 Task Manager Signature	 Contract Manager Signature
 Chief Financial Officer Signature	Date <u>4/15/10</u> Date <u>4/24/10</u>

PROJECT ADVANCEMENT AGREEMENT NO. C09182
BETWEEN

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

AND

CITY OF RANCHO CUCAMONGA

THIS AGREEMENT is made and entered into this 22nd day of October by and between the San Bernardino County Transportation Authority (hereinafter referred to as "SANBAG") and City Rancho Cucamonga (hereinafter referred to as "CITY").

WITNESSETH

WHEREAS, the SANBAG Nexus Study and the Measure I 2010-2040 Expenditure Plan identify freeway interchange, major street, and railroad grade separation PROJECT(s) eligible for partial funding from Measure I 2010-2040 revenues; and

WHEREAS, SANBAG has determined that this PROJECT(S) and expenditure phase are included in the SANBAG Nexus Study and are eligible to receive Measure I 2010-2040 funds; and

WHEREAS, because revenue for the PROJECT(S) from Measure I 2010-2040 will not be available until 2010 or later, CITY desires to use its own local (non-SANBAG) funds to proceed with the PROJECT(S) at this time; and

WHEREAS, SANBAG and CITY are entering into this Agreement that will allow CITY to use funds not contributed or allocated by SANBAG to implement the PROJECT(S) immediately with the understanding that SANBAG will reimburse CITY for eligible PROJECT(S) expenditures at a later date with Measure I 2010-2040 revenue or other eligible public share revenue available to SANBAG in accordance with the reimbursement schedule established in Policy 40002 of the Measure I 2010-2040 Strategic Plan.

NOW, THEREFORE, SANBAG and CITY agree to the following:

SECTION I

DEFINITIONS:

- COST of a PROJECT is the PROJECT cost for the phase or phases defined in the Scope of Work in Attachment A.
- DEVELOPMENT SHARE of PROJECT cost is the developer contribution percentage, as listed in the SANBAG Nexus Study, times the COST of the PROJECT.

- PUBLIC SHARE of the PROJECT is the COST of the PROJECT minus its DEVELOPMENT SHARE.

SANBAG AGREES:

1. To reimburse CITY for the PUBLIC SHARE of those eligible PROJECT expenses that are incurred by CITY for the PROJECT-specific work activities, as set forth in Attachment A to this Agreement. Said reimbursement amount shall not exceed the PUBLIC SHARE amount as calculated by the total cost of the PROJECT minus the DEVELOPMENT SHARE of the cost, as indicated in the Nexus Study. The PUBLIC SHARE of the cost for the PROJECT is as follows:

- Haven Ave widening from Baseline Rd to I-210 Fwy Westside up to \$ 4,260,000
(71% of Nexus Study Cost)
- Church St widening from Archibald to Haven 2 to 4 lanes up to \$ 817,920
(71% of Nexus Study Cost)
- New traffic signal at 4th and Richmond up to \$112,180
(71% of Nexus Study Cost)
- New traffic signal 4th and Utica up to \$112,118
(71% of Nexus Study Cost)
- New traffic signal 6th and Buffalo up to \$112,118
(71% of Nexus Study Cost)
- New traffic signal 6th and Utica up to \$112,118
(71% of Nexus Study Cost)
- New traffic signal Archibald and Banyan up to \$112,118
(71% of Nexus Study Cost)
- New traffic signal Archibald and San Bernardino up to \$112,118
(71% of Nexus Study Cost)
- New traffic signal Archibald and Victoria up to \$112,118
(71% of Nexus Study Cost)
- New traffic signal Arrow and Center up to \$112,118
(71% of Nexus Study Cost)
- New traffic signal Banyan and Wardman Bullock up to \$112,118
(71% of Nexus Study Cost)
- New traffic signal Carnelian and Wilson up to \$112,118
(71% of Nexus Study Cost)
- New traffic signal Church and Elm up to \$112,118
(71% of Nexus Study Cost)
- New traffic signal Day Creek and Madrigal up to \$112,118
(71% of Nexus Study Cost)
- New traffic signal Foothill and Cornwall up to \$112,118
(71% of Nexus Study Cost)
- New Traffic signal Foothill and East Ave up to \$112,118
(71% of Nexus Study Cost)
- New traffic signal Foothill and Malachite up to \$112,118
(71% of Nexus Study Cost)
- New traffic signal Haven and Trademark up to \$112,118

- (71% of Nexus Study Cost)
- New traffic signal Haven and Wilson up to \$112,118
(71% of Nexus Study Cost)
- New traffic signal Hermosa and Church up to \$112,118
(71% of Nexus Study Cost)
- New traffic signal Wilson and San Sevaïne up to \$112,118
(71% of Nexus Study Cost)
- New traffic signal Wilson and Wardman Bullock up to \$112,118
(71% of Nexus Study Cost)

In the event that the actual PROJECT expenditures are lower than the estimated cost in Attachment A for any individual project, the development percentage shall be applied to the actual expenditures for each.

When non-Measure I funds are included as part of the funding package, the calculation of reimbursement shall be based on policies in the SANBAG Measure I 2010-2040 Strategic Plan. The Strategic Plan provides specific guidance regarding the fund types that buy down the total PROJECT cost, the PUBLIC SHARE cost, and the DEVELOPER SHARE cost (refer to Policy 40001/VS-30).

In the event that additional Federal/State funds are applied to this PROJECT(s), the reimbursement amount shall be recalculated to reflect the change in Federal/State transportation funding.

2. SANBAG shall reimburse CITY for the PUBLIC SHARE in accordance with the reimbursement terms set forth in Policy 40002 of the Measure I 2010-2040 Strategic Plan, and after CITY submits to SANBAG an original and two copies of the signed invoices in the proper form covering those actual allowable PROJECT expenditures that were incurred by CITY.
3. When conducting an audit of the costs claimed under the provisions of this Agreement, SANBAG intends to rely to the maximum extent possible on any prior audit of CITY performed pursuant to the provisions of state and federal laws. In the absence of such an audit, work of other auditors will be relied upon to the extent that work is acceptable to SANBAG when planning and conducting additional audits.

SECTION II

CITY AGREES:

1. Only eligible PROJECT-specific work activities, as set forth in Attachment A to this Agreement, which are for transportation purposes that conform to the SANBAG Nexus Study and the Strategic Plan, will be eligible for future Measure I 2010-2040 reimbursement. CITY agrees that it will claim reimbursement only for eligible PROJECT-specific work activities.
2. To abide by all State and, if applicable, Federal policies and procedures pertaining to the PROJECT(s).
3. After completion of the PROJECT(s), to prepare and submit to SANBAG an original and two copies of signed consultant/contractor invoices for subsequent reimbursement of those eligible PROJECT expenses. CITY further agrees and understands that SANBAG will not reimburse CITY for any PROJECT expenditures that are not described in the PROJECT-specific work activities.
4. If Measure I 2010-2040 reimbursement funds are received by CITY, to repay to SANBAG any costs that are determined by subsequent audit to be unallowable within thirty (30) days of CITY receiving notice of audit findings. Should CITY fail to reimburse moneys due SANBAG within thirty (30) days of demand, or within such other period as may be agreed between both parties hereto, SANBAG reserves the right to withhold future payments due CITY from any source under SANBAG's control.
5. To maintain all source documents, books and records connected with its performance under this Agreement for a minimum of five (5) years from the date of the Final Report of Expenditures submittal to SANBAG or until audit resolution is achieved and to make all such supporting information available for inspection and audit by representatives of SANBAG. Copies will be made and furnished by CITY upon request, during the period of no less than five (5) years from the date of final reimbursement payment, if said reimbursement occurs under this Agreement.
6. To establish and maintain an accounting system conforming to Generally Accepted Accounting Principles (GAAP) to support CITY request for reimbursement, payment vouchers, or invoices which segregate and accumulate costs of PROJECT work elements and produce monthly reports which clearly identify reimbursable costs, matching fund costs, and other allowable expenditures by CITY.
7. To prepare a Final Report of Expenditures, including a final invoice reporting the actual eligible PROJECT costs expended for those activities described in the work activities, and to submit that Report and invoice no later than 60 days following the completion of those expenditures. The Final Report of Expenditures, three copies of which report shall be submitted to SANBAG, must state that these PROJECT funds were used in conformance with this Agreement and for those PROJECT-specific work activities described.
8. To have a PROJECT-specific audit completed by SANBAG upon completion of the PROJECT(s). The audit must state that all funds expended on the PROJECT(s) were used in conformance with this Agreement.

9. CITY agrees that the PROJECT reimbursement schedule will be determined according to Measure I 2010-2040 Policy 40002 of the Measure I 2010-2040 Strategic Plan. CITY acknowledges that SANBAG reserves the right to make modifications to the project advancement repayment policy at any time based on SANBAG Board approval. CITY will be notified by SANBAG of any modifications of this policy within 30 days of its modification.
10. CITY agrees to post signs at the limits of PROJECT(s) noting that PROJECT(s) is (are) funded with Measure I funds. Signs shall bear the logos of San Bernardino Associated Governments/ Measure I and CITY.

SECTION III

IT IS MUTUALLY AGREED:

1. SANBAG's financial responsibility shall not exceed the PUBLIC SHARE of the cost for each individual project listed in Attachment A (as adjusted based on the availability of Federal/State transportation funding as described in SECTION I) or the amount based on actual cost as derived in ARTICLE 1, SECTION I, whichever is less.
2. Eligible PROJECT reimbursements shall include only those costs incurred by CITY for PROJECT-specific work activities that are described in this Agreement and shall not include escalation, interest, or other fees.
3. SANBAG shall have no responsibility to reimburse any otherwise allowable PROJECT expenditures until a) sufficient Measure I 2010-2040 revenue exists to fund those eligible PROJECT reimbursements and b) CITY has satisfied any and all other necessary PROJECT requirements including the submission of all required invoices and Reports.
4. Once reimbursement is initiated, total reimbursements to all eligible advanced projects shall not exceed 40 percent of the revenues allocated to the program categories from which the projects will be funded. Reimbursement in full for eligible costs shall be completed no later than receipt of final revenues generated by Measure I 2010-2040.
5. All reimbursement to member agencies shall be subordinate to debt service on bonds sold to deliver SANBAG sponsored projects.
6. In the event CITY fails to initiate construction by January 31, 2009, fails to complete the PROJECT(s) commenced under this Agreement, fails to perform any of the obligations created by this Agreement, or fails to comply with applicable state and federal laws and regulations, SANBAG reserves the right to terminate this Agreement and any subsequent funding for the PROJECT(s) or any portion thereof upon written notice to CITY. CITY may only be reimbursed for those eligible PROJECT expenditures that occur prior to the date of termination when successfully completed

done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this Agreement. It is understood and agreed that, pursuant to Government Code Section 895.4, CITY shall fully defend, indemnify and save harmless SANBAG, its officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this Agreement.

9. Except as provided in Section III 8., this Agreement will be considered terminated upon reimbursement of eligible costs by SANBAG.

**San Bernardino County
Transportation Authority**

By: _____
Paul Eaton
President, SANBAG Board of
Directors

Date: _____

APPROVED AS TO FORM AND
PROCEDURE:

By: _____
Jean-Rene Basle
County Counsel

Date: 4-20-10

City of Rancho Cucamonga

By: _____
Donald J. Kurth, M.D.
Mayor

Date: 10-22-09

APPROVED AS TO FORM AND
PROCEDURE:

By: _____
City Attorney

Date: 10-22-09

Attachment A

Project(s) Scope and Cost

Proposed Improvements and project cost:

1. Haven Ave widening from Baseline Rd to I-210 Fwy Westside
Nexus Study Cost (2004): \$6,000,000
Public Share: \$ 4,260,000 (71% of Nexus Study Cost)
2. Church St widening from Archibald to Haven 2 to 4 lanes
Nexus Study Cost (2007 Update): \$1,152,000
Public Share: \$ 817,920 (71% of Nexus Study Cost)
3. New traffic signal at 4th and Richmond
Nexus Study Cost (2007 Update): \$158,000
Public Share: \$112,180 (71% of Nexus Study Cost)
4. New traffic signal 4th and Utica
Nexus Study Cost (2007 Update): \$158,000
Public Share: \$112,118 (71% of Nexus Study Cost)
5. New traffic signal 6th and Buffalo
Nexus Study Cost (2007 Update): \$158,000
Public Share: \$112,118 (71% of Nexus Study Cost)
6. New traffic signal 6th and Utica
Nexus Study Cost (2007 Update): \$158,000
Public Share: \$112,118 (71% of Nexus Study Cost)
7. New traffic signal Archibald and Banyan
Nexus Study Cost (2007 Update): \$158,000
Public Share: \$112,118 (71% of Nexus Study Cost)
8. New traffic signal Archibald and San Bernardino
Nexus Study Cost (2007 Update): \$158,000
Public Share: \$112,118 (71% of Nexus Study Cost)
9. New traffic signal Archibald and Victoria
Nexus Study Cost (2007 Update): \$158,000
Public Share: \$112,118 (71% of Nexus Study Cost)

10. New traffic signal Arrow and Center
Nexus Study Cost (2007 Update): \$158,000
Public Share: \$112,118 (71% of Nexus Study Cost)
11. New traffic signal Banyan and Wardman Bullock
Nexus Study Cost (2007 Update): \$158,000
Public Share: \$112,118 (71% of Nexus Study Cost)
12. New traffic signal Carnelian and Wilson
Nexus Study Cost (2007 Update): \$158,000
Public Share: \$112,118 (71% of Nexus Study Cost)
13. New traffic signal Church and Elm
Nexus Study Cost (2007 Update): \$158,000
Public Share: \$112,118 (71% of Nexus Study Cost)
14. New traffic signal Day Creek and Madrigal
Nexus Study Cost (2007 Update): \$158,000
Public Share: \$112,118 (71% of Nexus Study Cost)
15. New traffic signal Foothill and Cornwall
Nexus Study Cost (2007 Update): \$158,000
Public Share: \$112,118 (71% of Nexus Study Cost)
16. New Traffic signal Foothill and East Ave
Nexus Study Cost (2007 Update): \$158,000
Public Share: \$112,118 (71% of Nexus Study Cost)
17. New traffic signal Foothill and Malachite
Nexus Study Cost (2007 Update): \$158,000
Public Share: \$112,118 (71% of Nexus Study Cost)
18. New traffic signal Haven and Trademark
Nexus Study Cost (2007 Update): \$158,000
Public Share: \$112,118 (71% of Nexus Study Cost)
19. New traffic signal Haven and Wilson
Nexus Study Cost (2007 Update): \$158,000
Public Share: \$112,118 (71% of Nexus Study Cost)
20. New traffic signal Hermosa and Church
Nexus Study Cost (2007 Update): \$158,000
Public Share: \$112,118 (71% of Nexus Study Cost)
21. New traffic signal Wilson and San Sevaime
Nexus Study Cost (2007 Update): \$158,000

Public Share: \$112,118 (71% of Nexus Study Cost)

22. New traffic signal Wilson and Wardman Bullock

Nexus Study Cost (2007 Update): \$158,000

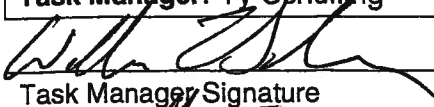

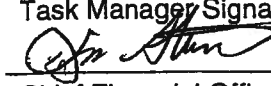
Public Share: \$112,118 (71% of Nexus Study Cost)

TOTAL NEXUS STUDY PUBLIC SHARE \$7,321,520.

SANBAG Contract No. **C09183**
by and between SANBAG and City of Rialto
for Project Advancement Agreements for Various Nexus Study Projects

FOR ACCOUNTING PURPOSES ONLY						
<input checked="" type="checkbox"/> Payable	Vendor Contract # <u>C09183</u>		Retention:		<input checked="" type="checkbox"/> Original	
<input type="checkbox"/> Receivable	Vendor ID <u>RIALCI</u>		<input type="checkbox"/> Yes ____ % <input checked="" type="checkbox"/> No		<input type="checkbox"/> Amendment	
Notes: This is a Measure I 2010-2040 Project Advancement Agreement with repayment according to 2010- 2040 Strategic Plan						
Original Contract:		\$ <u>913,800</u>		Previous Amendments		\$ ____
				Previous Amendments		\$ ____
				Contingency / Allowance Total:		
Contingency / Allowance Amount		\$ ____		Current Amendment:		\$ ____
				Current Amendment Contingency / Allowance:		\$ ____
Contingency Amount requires specific authorization by Task Manager prior to release.						
Contract TOTAL ►						\$ <u>913,800</u>
* Funding sources remain as stated on this document unless and until amended by proper authority. Funding sources are those which are ultimately responsible for the expenditure.						
▼ Include funding allocation for the original contract or the amendment						
Main Task/ Project	Level 1	Level 2	Cost Code/ Object	Grant ID/ Supplement	Funding Sources/ Fund Type (Measure I, STP, CMAQ, etc.)	Amounts for Contract Total or Current Amndmnt Amt
<u>0610</u>	<u>210</u>	<u>120</u>	_____	<u>99082</u>	<u>MI 2010-40 Valley Major Street</u>	<u>\$ 913,800</u>
_____	_____	_____	_____	_____	_____	\$ ____
_____	_____	_____	_____	_____	_____	\$ ____
_____	_____	_____	_____	_____	_____	\$ ____
Original Board Approved Contract Date:				<u>5/5/10</u>	Contract Start: <u>5/5/10</u>	Contract End: <u>4/5/25</u>
New Amend. Approval (Board) Date:				_____	Amend. Start: _____	Amend. End: _____
Allocate the Total Contract Amount or Current Amendment amount between Approved Budget Authority in the current year and Future Fiscal Year(s) Unbudgeted Obligation .						
Approved Budget Authority ►		Fiscal Year: _____		Future Fiscal Year(s) – Unbudgeted Obligation ►		\$ <u>913,800</u>
		\$ ____				
<input type="checkbox"/> Budget authority for this contract currently exists in Task No. ____ (C-Task may be used here.).						
<input type="checkbox"/> A budget amendment is required. A Budget Amendment Request is attached.						

CONTRACT MANAGEMENT	
Check all applicable boxes:	
<input checked="" type="checkbox"/> Intergovernmental	<input type="checkbox"/> Private
<input type="checkbox"/> Disadvantaged Business Enterprise (DBE)	<input type="checkbox"/> Underutilized DBE (UDBE)
<input type="checkbox"/> Federal Funds	<input type="checkbox"/> State/Local Funds

Task Manager: Ty Schuiling		Contract Manager: Philip Chu	
 Task Manager Signature	Date <u>4/10/10</u>	 Contract Manager Signature	Date <u>4/10/10</u>
 Chief Financial Officer Signature		Date <u>4/20/11</u>	

**PROJECT ADVANCEMENT AGREEMENT NO. C09183
BETWEEN**

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

AND

CITY OF RIALTO

FOR

THIS AGREEMENT is made and entered into this 8th day of December by and between the San Bernardino County Transportation Authority (hereinafter referred to as "SANBAG") and City of Rialto (hereinafter referred to as "CITY").

WITNESSETH

WHEREAS, the SANBAG Nexus Study and the Measure I 2010-2040 Expenditure Plan identify freeway interchange, major street, and railroad grade separation PROJECT(s) eligible for partial funding from Measure I 2010-2040 revenues; and

WHEREAS, SANBAG has determined that this PROJECT(S) and expenditure phase are included in the SANBAG Nexus Study and are eligible to receive Measure I 2010-2040 funds; and

WHEREAS, because revenue for the PROJECT(S) from Measure I 2010-2040 will not be available until 2010 or later, CITY desires to use its own local (non-SANBAG) funds to proceed with the PROJECT(S) at this time; and

WHEREAS, SANBAG and CITY are entering into this Agreement that will allow CITY to use funds not contributed or allocated by SANBAG to implement the PROJECT(S) immediately with the understanding that SANBAG will reimburse CITY for eligible PROJECT(S) expenditures at a later date with Measure I 2010-2040 revenue or other eligible public share revenue available to SANBAG in accordance with the reimbursement schedule established in Policy 40002 of the Measure I 2010-2040 Strategic Plan.

NOW, THEREFORE, SANBAG and CITY agree to the following:

SECTION I

DEFINITIONS:

- COST of a PROJECT is the PROJECT cost for the phase or phases defined in the Scope of Work in Attachment A.

- DEVELOPMENT SHARE of PROJECT cost is the developer contribution percentage, as listed in the SANBAG Nexus Study, times the COST of the PROJECT.
- PUBLIC SHARE of the PROJECT is the COST of the PROJECT minus its DEVELOPMENT SHARE.

SANBAG AGREES:

1. To reimburse CITY for the PUBLIC SHARE of those eligible PROJECT expenses that are incurred by CITY for the PROJECT-specific work activities, as set forth in Attachment A to this Agreement. Said reimbursement amount shall not exceed the PUBLIC SHARE amount as calculated by the total cost of the PROJECT minus the DEVELOPMENT SHARE of the cost, as indicated in the Nexus Study. The PUBLIC SHARE of the cost for the PROJECT is as follows:
 - New traffic signal at Bloomington Ave and Willow Ave up to \$237,000.
(60% of Nexus Study Cost)
 - New traffic signal Merrill Ave and Willow Ave up to \$169,200.
(60% of Nexus Study Cost)
 - New traffic signal Cactus Ave and Walnut Ave up to \$169,200.
(60% of Nexus Study Cost)
 - New traffic signal Cactus and Randall Ave up to \$169,200.
(60% of Nexus Study Cost)
 - New traffic signal Riverside Ave and Alder Ave up to \$169,200.
(60% of Nexus Study Cost)

In the event that the actual PROJECT expenditures are lower than the estimated cost in Attachment A for any individual project, the development percentage shall be applied to the actual expenditures for each.

When non-Measure I funds are included as part of the funding package, the calculation of reimbursement shall be based on policies in the SANBAG Measure I 2010-2040 Strategic Plan. The Strategic Plan provides specific guidance regarding the fund types that buy down the total PROJECT cost, the PUBLIC SHARE cost, and the DEVELOPER SHARE cost (refer to Policy 40001/VS-30).

In the event that additional Federal/State funds are applied to this PROJECT(s), the reimbursement amount shall be recalculated to reflect the change in Federal/State transportation funding.

2. SANBAG shall reimburse CITY for the PUBLIC SHARE in accordance with the reimbursement terms set forth in Policy 40002 of the Measure I 2010-2040 Strategic Plan, and after CITY submits to SANBAG an original and two copies of the signed invoices in the proper form covering those actual allowable PROJECT expenditures that were incurred by CITY.

3. When conducting an audit of the costs claimed under the provisions of this Agreement, SANBAG intends to rely to the maximum extent possible on any prior audit of CITY performed pursuant to the provisions of state and federal laws. In the absence of such an audit, work of other auditors will be relied upon to the extent that work is acceptable to SANBAG when planning and conducting additional audits.

SECTION II

CITY AGREES:

1. Only eligible PROJECT-specific work activities, as set forth in Attachment A to this Agreement, which are for transportation purposes that conform to the SANBAG Nexus Study and the Strategic Plan, will be eligible for future Measure I 2010-2040 reimbursement. CITY agrees that it will claim reimbursement only for eligible PROJECT-specific work activities.
2. To abide by all State and, if applicable, Federal policies and procedures pertaining to the PROJECT(s).
3. After completion of the PROJECT(s), to prepare and submit to SANBAG an original and two copies of signed consultant/contractor invoices for subsequent reimbursement of those eligible PROJECT expenses. CITY further agrees and understands that SANBAG will not reimburse CITY for any PROJECT expenditures that are not described in the PROJECT-specific work activities.
4. If Measure I 2010-2040 reimbursement funds are received by CITY, to repay to SANBAG any costs that are determined by subsequent audit to be unallowable within thirty (30) days of CITY receiving notice of audit findings. Should CITY fail to reimburse moneys due SANBAG within thirty (30) days of demand, or within such other period as may be agreed between both parties hereto, SANBAG reserves the right to withhold future payments due CITY from any source under SANBAG's control.
5. To maintain all source documents, books and records connected with its performance under this Agreement for a minimum of five (5) years from the date of the Final Report of Expenditures submittal to SANBAG or until audit resolution is achieved and to make all such supporting information available for inspection and audit by representatives of SANBAG. Copies will be made and furnished by CITY upon request, during the period of no less than five (5) years from the date of final reimbursement payment, if said reimbursement occurs under this Agreement.
6. To establish and maintain an accounting system conforming to Generally Accepted Accounting Principles (GAAP) to support CITY request for reimbursement, payment vouchers, or invoices which segregate and accumulate costs of PROJECT work

elements and produce monthly reports which clearly identify reimbursable costs, matching fund costs, and other allowable expenditures by CITY.

7. To prepare a Final Report of Expenditures, including a final invoice reporting the actual eligible PROJECT costs expended for those activities described in the work activities, and to submit that Report and invoice no later than 60 days following the completion of those expenditures. The Final Report of Expenditures, three copies of which report shall be submitted to SANBAG, must state that these PROJECT funds were used in conformance with this Agreement and for those PROJECT- specific work activities described.
8. To have a PROJECT-specific audit completed by SANBAG upon completion of the PROJECT(s). The audit must state that all funds expended on the PROJECT(s) were used in conformance with this Agreement.
9. CITY agrees that the PROJECT reimbursement schedule will be determined according to Measure I 2010-2040 Policy 40002 of the Measure I 2010-2040 Strategic Plan. CITY acknowledges that SANBAG reserves the right to make modifications to the project advancement repayment policy at any time based on SANBAG Board approval. CITY will be notified by SANBAG of any modifications of this policy within 30 days of its modification.
10. CITY agrees to post signs at the limits of PROJECT(s) noting that PROJECT(s) is (are) funded with Measure I funds. Signs shall bear the logos of San Bernardino Associated Governments/ Measure I and CITY.

SECTION III

IT IS MUTUALLY AGREED:

1. SANBAG's financial responsibility shall not exceed the PUBLIC SHARE of the cost for each individual project listed in Attachment A (as adjusted based on the availability of Federal/State transportation funding as described in SECTION I) or the amount based on actual cost as derived in ARTICLE 1, SECTION I, whichever is less.
2. Eligible PROJECT reimbursements shall include only those costs incurred by CITY for PROJECT-specific work activities that are described in this Agreement and shall not include escalation, interest, or other fees.
3. SANBAG shall have no responsibility to reimburse any otherwise allowable PROJECT expenditures until a) sufficient Measure I 2010-2040 revenue exists to fund those eligible PROJECT reimbursements and b) CITY has satisfied any and all other necessary PROJECT requirements including the submission of all required invoices and Reports.

4. Once reimbursement is initiated, total reimbursements to all eligible advanced projects shall not exceed 40 percent of the revenues allocated to the program categories from which the projects will be funded. Reimbursement in full for eligible costs shall be completed no later than receipt of final revenues generated by Measure I 2010-2040.
5. All reimbursement to member agencies shall be subordinate to debt service on bonds sold to deliver SANBAG sponsored projects.
6. In the event CITY fails to initiate construction by January 31, 2009, fails to complete the PROJECT(s) commenced under this Agreement, fails to perform any of the obligations created by this Agreement, or fails to comply with applicable state and federal laws and regulations, SANBAG reserves the right to terminate this Agreement and any subsequent funding for the PROJECT(s) or any portion thereof upon written notice to CITY. CITY may only be reimbursed for those eligible PROJECT expenditures that occur prior to the date of termination when successfully completed as provided for pursuant to this Agreement. Upon termination, an audit may be performed as provided in Section II, Article (8) of this Agreement.
7. The CITY is responsible for payment of the entire DEVELOPMENT SHARE amount. If there are other jurisdictions with minority DEVELOPMENT SHARE amounts, the CITY is responsible for establishing a cooperative agreement with other jurisdictions that guarantees the reimbursement of the minority DEVELOPMENT SHARE according to terms mutually agreed upon by all parties.
8. Neither SANBAG nor any officer or employee thereof is responsible for any injury, damage or liability occurring or arising by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this Agreement. It is understood and agreed that, pursuant to Government Code Section 895.4, CITY shall fully defend, indemnify and save harmless SANBAG, its officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this Agreement.
9. Except as provided in Section III 8., this Agreement will be considered terminated upon reimbursement of eligible costs by SANBAG.

**San Bernardino County
Transportation Authority**

By: _____
Paul Eaton
President, SANBAG Board of
Directors

Date: _____

APPROVED AS TO FORM AND
PROCEDURE:

By: _____
Jean Rene Basle
County Counsel

Date: 4-20-10

City of Rialto

By: _____
Grace Vargas
Mayor

Date: 12/22/09

APPROVED AS TO FORM AND
PROCEDURE:

By: _____
City Attorney

Date: 12/22/09

Attachment A

Project(s) Scope and Cost

Proposed Improvements and project cost:

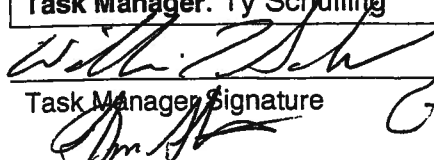
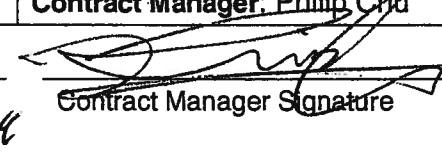
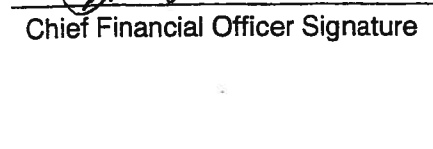
1. New traffic signal at Bloomington Ave and Willow Ave
Nexus Study Cost (2007 update): \$395,000
Public Share: \$237,000 (60% of Nexus Study Cost)
2. New traffic signal Merrill Ave and Willow Ave
Nexus Study Cost (2007 update): \$282,000
Public Share: \$169,200 (60% of Nexus Study Cost)
3. New traffic signal Cactus Ave and Walnut Ave
Nexus Study Cost (2007 update): \$282,000
Public Share: \$169,200 (60% of Nexus Study Cost)
4. New traffic signal Cactus and Randall Ave
Nexus Study Cost (2007 update): \$282,000
Public Share: \$169,200 (60% of Nexus Study Cost)
5. New traffic signal Riverside Ave and Alder Ave
Nexus Study Cost (2007 update): \$282,000
Public Share: \$169,200 (60% of Nexus Study Cost)

TOTAL NEXUS STUDY PUBLIC SHARE \$913,800.

SANBAG Contract No. **C09184**
by and between SANBAG and City of Chino
for Project Advancement Agreements for Various Nexus Study Projects

FOR ACCOUNTING PURPOSES ONLY						
<input checked="" type="checkbox"/> Payable <input type="checkbox"/> Receivable	Vendor Contract # <u>C09184</u> Vendor ID <u>CHINO</u>	Retention: <input type="checkbox"/> Yes ____ % <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Original <input type="checkbox"/> Amendment			
Notes: This is a Measure I 2010-2040 Project Advancement Agreement with repayment according to 2010- 2040 Strategic Plan						
Original Contract: \$ <u>5,776,610</u>		Previous Amendments \$ ____				
		Previous Amendments \$ ____				
Contingency / Allowance Amount \$ ____		Contingency / Allowance Total:				
		Current Amendment: \$ ____				
		Current Amendment Contingency / Allowance: \$ ____				
Contingency Amount requires specific authorization by Task Manager prior to release.						
Contract TOTAL ►						\$ <u>5,776,610</u>
* Funding sources remain as stated on this document unless and until amended by proper authority. Funding sources are those which are ultimately responsible for the expenditure.						
▼ Include funding allocation for the original contract or the amendment						
Main Task/ Project	Level 1	Level 2	Cost Code/ Object	Grant ID/ Supplement	Funding Sources/ Fund Type (Measure I, STP, CMAQ, etc.)	Amounts for Contract Total or Current Amndmnt Amt
<u>0610</u>	<u>110</u>	<u>120</u>	_____	<u>99082</u>	<u>MI 2010-40 Valley Major Street</u>	<u>\$ 5,776,610</u>
_____	_____	_____	_____	_____	_____	\$ ____
_____	_____	_____	_____	_____	_____	\$ ____
_____	_____	_____	_____	_____	_____	\$ ____
Original Board Approved Contract Date: <u>5/5/10</u>				Contract Start: <u>5/5/10</u>		Contract End: <u>4/5/25</u>
New Amend. Approval (Board) Date: _____				Amend. Start: _____		Amend. End: _____
Allocate the Total Contract Amount or Current Amendment amount between Approved Budget Authority in the current year and Future Fiscal Year(s) Unbudgeted Obligation .						
Approved Budget Authority ►		Fiscal Year: _____ \$ ____		Future Fiscal Year(s) – Unbudgeted Obligation ►		\$ <u>5,776,610</u>
<input type="checkbox"/> Budget authority for this contract currently exists in Task No. _____ (C-Task may be used here.).						
<input type="checkbox"/> A budget amendment is required. A Budget Amendment Request is attached.						

CONTRACT MANAGEMENT	
Check all applicable boxes:	
<input checked="" type="checkbox"/> Intergovernmental	<input type="checkbox"/> Private
<input type="checkbox"/> Disadvantaged Business Enterprise (DBE)	<input type="checkbox"/> Underutilized DBE (UDBE)
<input type="checkbox"/> Federal Funds	<input type="checkbox"/> State/Local Funds

Task Manager: Ty Schuiling		Contract Manager: Philip Chiu	
 Task Manager Signature	<u>4/15/10</u> Date	 Contract Manager Signature	<u>4/15/10</u> Date
 Chief Financial Officer Signature		<u>4/20/10</u> Date	

PROJECT ADVANCEMENT AGREEMENT NO. C09184
BETWEEN

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

AND

CITY OF CHINO

FOR

THIS AGREEMENT is made and entered into this 3rd day of Nov. 2009 by and between the San Bernardino County Transportation Authority (hereinafter referred to as "SANBAG") and City Chino (hereinafter referred to as "CITY").

WITNESSETH

WHEREAS, the SANBAG Nexus Study and the Measure I 2010-2040 Expenditure Plan identify freeway interchange, major street, and railroad grade separation PROJECT(s) eligible for partial funding from Measure I 2010-2040 revenues; and

WHEREAS, SANBAG has determined that this PROJECT(S) and expenditure phase are included in the SANBAG Nexus Study and are eligible to receive Measure I 2010-2040 funds; and

WHEREAS, because revenue for the PROJECT(S) from Measure I 2010-2040 will not be available until 2010 or later, CITY desires to use its own local (non-SANBAG) funds to proceed with the PROJECT(S) at this time; and

WHEREAS, SANBAG and CITY are entering into this Agreement that will allow CITY to use funds not contributed or allocated by SANBAG to implement the PROJECT(S) immediately with the understanding that SANBAG will reimburse CITY for eligible PROJECT(S) expenditures at a later date with Measure I 2010-2040 revenue or other eligible public share revenue available to SANBAG in accordance with the reimbursement schedule established in Policy 40002 of the Measure I 2010-2040 Strategic Plan.

NOW, THEREFORE, SANBAG and CITY agree to the following:

SECTION I

DEFINITIONS:

- COST of a PROJECT is the PROJECT cost for the phase or phases defined in the Scope of Work in Attachment A.

- DEVELOPMENT SHARE of PROJECT cost is the developer contribution percentage, as listed in the SANBAG Nexus Study, times the COST of the PROJECT.
- PUBLIC SHARE of the PROJECT is the COST of the PROJECT minus its DEVELOPMENT SHARE.

SANBAG AGREES:

1. To reimburse CITY for the PUBLIC SHARE of those eligible PROJECT expenses that are incurred by CITY for the PROJECT-specific work activities, as set forth in Attachment A to this Agreement. Said reimbursement amount shall not exceed the PUBLIC SHARE amount as calculated by the total cost of the PROJECT minus the DEVELOPMENT SHARE of the cost, as indicated in the Nexus Study. The PUBLIC SHARE of the cost for the PROJECT is as follows:

- Chino Avenue widening from Fern to Euclid (2 to 4 lanes) up to \$2,236,850 (49% of Nexus Study Cost)
- Kimball Ave widening from Euclid to Hellman (2 to 4 lanes) up to \$3,263,890 (49% of Nexus Study Cost)
- Traffic Signal at Pine and Mill Creek up to \$88,690 (49% of Nexus Study Cost)
- Traffic Signal at Pine and West Preserve Loop up to \$88,690 (49% of Nexus Study Cost)
- Traffic Signal at Fern and Riverside Dr up to \$98,490 (49% of Nexus Study Cost)

In the event that the actual PROJECT expenditures are lower than the estimated cost in Attachment A for any individual project, the development percentage shall be applied to the actual expenditures for each.

When non-Measure I funds are included as part of the funding package, the calculation of reimbursement shall be based on policies in the SANBAG Measure I 2010-2040 Strategic Plan. The Strategic Plan provides specific guidance regarding the fund types that buy down the total PROJECT cost, the PUBLIC SHARE cost, and the DEVELOPER SHARE cost (refer to Policy 40001/VS-30).

In the event that additional Federal/State funds are applied to this PROJECT(s), the reimbursement amount shall be recalculated to reflect the change in Federal/State transportation funding.

2. SANBAG shall reimburse CITY for the PUBLIC SHARE in accordance with the reimbursement terms set forth in Policy 40002 of the Measure I 2010-2040 Strategic Plan, and after CITY submits to SANBAG an original and two copies of the signed invoices in the proper form covering those actual allowable PROJECT expenditures that were incurred by CITY.

3. When conducting an audit of the costs claimed under the provisions of this Agreement, SANBAG intends to rely to the maximum extent possible on any prior audit of CITY performed pursuant to the provisions of state and federal laws. In the absence of such an audit, work of other auditors will be relied upon to the extent that work is acceptable to SANBAG when planning and conducting additional audits.

SECTION II

CITY AGREES:

1. Only eligible PROJECT-specific work activities, as set forth in Attachment A to this Agreement, which are for transportation purposes that conform to the SANBAG Nexus Study and the Strategic Plan, will be eligible for future Measure I 2010-2040 reimbursement. CITY agrees that it will claim reimbursement only for eligible PROJECT-specific work activities.
2. To abide by all State and, if applicable, Federal policies and procedures pertaining to the PROJECT(s).
3. After completion of the PROJECT(s), to prepare and submit to SANBAG an original and two copies of signed consultant/contractor invoices for subsequent reimbursement of those eligible PROJECT expenses. CITY further agrees and understands that SANBAG will not reimburse CITY for any PROJECT expenditures that are not described in the PROJECT-specific work activities.
4. If Measure I 2010-2040 reimbursement funds are received by CITY, to repay to SANBAG any costs that are determined by subsequent audit to be unallowable within thirty (30) days of CITY receiving notice of audit findings. Should CITY fail to reimburse moneys due SANBAG within thirty (30) days of demand, or within such other period as may be agreed between both parties hereto, SANBAG reserves the right to withhold future payments due CITY from any source under SANBAG's control.
5. To maintain all source documents, books and records connected with its performance under this Agreement for a minimum of five (5) years from the date of the Final Report of Expenditures submittal to SANBAG or until audit resolution is achieved and to make all such supporting information available for inspection and audit by representatives of SANBAG. Copies will be made and furnished by CITY upon request, during the period of no less than five (5) years from the date of final reimbursement payment, if said reimbursement occurs under this Agreement.
6. To establish and maintain an accounting system conforming to Generally Accepted Accounting Principles (GAAP) to support CITY request for reimbursement, payment vouchers, or invoices which segregate and accumulate costs of PROJECT work

elements and produce monthly reports which clearly identify reimbursable costs, matching fund costs, and other allowable expenditures by CITY.

7. To prepare a Final Report of Expenditures, including a final invoice reporting the actual eligible PROJECT costs expended for those activities described in the work activities, and to submit that Report and invoice no later than 60 days following the completion of those expenditures. The Final Report of Expenditures, three copies of which report shall be submitted to SANBAG, must state that these PROJECT funds were used in conformance with this Agreement and for those PROJECT- specific work activities described.
8. To have a PROJECT-specific audit completed by SANBAG upon completion of the PROJECT(s). The audit must state that all funds expended on the PROJECT(s) were used in conformance with this Agreement.
9. CITY agrees that the PROJECT reimbursement schedule will be determined according to Measure I 2010-2040 Policy 40002 of the Measure I 2010-2040 Strategic Plan. CITY acknowledges that SANBAG reserves the right to make modifications to the project advancement repayment policy at any time based on SANBAG Board approval. CITY will be notified by SANBAG of any modifications of this policy within 30 days of its modification.
10. CITY agrees to post signs at the limits of PROJECT(s) noting that PROJECT(s) is (are) funded with Measure I funds. Signs shall bear the logos of San Bernardino Associated Governments/ Measure I and CITY.

SECTION III

IT IS MUTUALLY AGREED:

1. SANBAG's financial responsibility shall not exceed the PUBLIC SHARE of the cost for each individual project listed in Attachment A (as adjusted based on the availability of Federal/State transportation funding as described in SECTION I) or the amount based on actual cost as derived in ARTICLE 1, SECTION I, whichever is less.
2. Eligible PROJECT reimbursements shall include only those costs incurred by CITY for PROJECT-specific work activities that are described in this Agreement and shall not include escalation, interest, or other fees.
3. SANBAG shall have no responsibility to reimburse any otherwise allowable PROJECT expenditures until a) sufficient Measure I 2010-2040 revenue exists to fund those eligible PROJECT reimbursements and b) CITY has satisfied any and all other necessary PROJECT requirements including the submission of all required invoices and Reports.

4. Once reimbursement is initiated, total reimbursements to all eligible advanced projects shall not exceed 40 percent of the revenues allocated to the program categories from which the projects will be funded. Reimbursement in full for eligible costs shall be completed no later than receipt of final revenues generated by Measure I 2010-2040.
5. All reimbursement to member agencies shall be subordinate to debt service on bonds sold to deliver SANBAG sponsored projects.
6. In the event CITY fails to initiate construction by January 31, 2009, fails to complete the PROJECT(s) commenced under this Agreement, fails to perform any of the obligations created by this Agreement, or fails to comply with applicable state and federal laws and regulations, SANBAG reserves the right to terminate this Agreement and any subsequent funding for the PROJECT(s) or any portion thereof upon written notice to CITY. CITY may only be reimbursed for those eligible PROJECT expenditures that occur prior to the date of termination when successfully completed as provided for pursuant to this Agreement. Upon termination, an audit may be performed as provided in Section II, Article (8) of this Agreement.
7. The CITY is responsible for payment of the entire DEVELOPMENT SHARE amount. If there are other jurisdictions with minority DEVELOPMENT SHARE amounts, the CITY is responsible for establishing a cooperative agreement with other jurisdictions that guarantees the reimbursement of the minority DEVELOPMENT SHARE according to terms mutually agreed upon by all parties.
8. Neither SANBAG nor any officer or employee thereof is responsible for any injury, damage or liability occurring or arising by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this Agreement. It is understood and agreed that, pursuant to Government Code Section 895.4, CITY shall fully defend, indemnify and save harmless SANBAG, its officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this Agreement.
9. Except as provided in Section III 8., this Agreement will be considered terminated upon reimbursement of eligible costs by SANBAG.

**San Bernardino County
Transportation Authority**

By: _____

Paul Eaton
President, SANBAG Board of
Directors

Date: _____

APPROVED AS TO FORM AND
PROCEDURE:

By: _____

Jean-Rene Basle
County Counsel

Date: _____

4-20-10

CITY OF CHINO
13220 Central Avenue
Chino, CA 91710

APPROVED AS TO FORM AND PROCEDURE:

Asst.

CITY ATTORNEY

APPROVED AS TO CONTENT:

DIRECTOR OF PUBLIC WORKS

PATRICK J. GLOVER, CITY MANAGER

ATTESTS:

LENNA J. TANNER, CITY CLERK

DATE: 11-10-09

Attachment A

Project(s) Scope and Cost

Proposed Improvements and project cost:

Chino Avenue widening from Fern to Euclid (2 to 4 lanes)

Nexus Study Cost (2007 update): \$4,565,000

Public Share: \$2,236,850 (49% of Nexus Study Cost)

2. Kimball Ave widening from Euclid to Hellman (2 to 4 lanes)

Nexus Study Cost (2007 update): \$6,661,000

Public Share: \$3,263,890 (49% of Nexus Study Cost)

3. Traffic Signal at Pine and Mill Creek

Nexus Study Cost (2007 update): \$181,000

Public Share: \$88,690 (49% of Nexus Study Cost)

4. Traffic Signal at Pine and West Preserve Loop

Nexus Study Cost (2007 update): \$181,000

Public Share: \$88,690 (49% of Nexus Study Cost)

5. Traffic Signal at Fern and Riverside Dr

Nexus Study Cost (2007 update): \$201,000

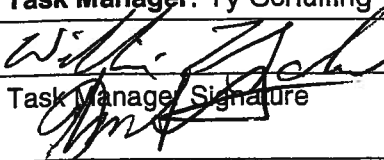
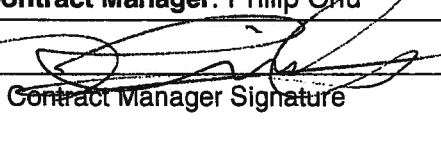
Public Share: \$98,490 (49% of Nexus Study Cost)

TOTAL 2006 NEXUS STUDY PUBLIC SHARE \$5,776,610.00

SANBAG Contract No. **C09185**
by and between SANBAG and City of Highland
for Project Advancement Agreements for Various Nexus Study Projects

FOR ACCOUNTING PURPOSES ONLY						
<input checked="" type="checkbox"/> Payable <input type="checkbox"/> Receivable	Vendor Contract # <u>C09185</u> Vendor ID <u>HIGHCI</u>	Retention: <input type="checkbox"/> Yes ____ % <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Original <input type="checkbox"/> Amendment			
Notes: This is a Measure I 2010-2040 Project Advancement Agreement with repayment according to 2010- 2040 Strategic Plan						
Original Contract: \$ <u>92,694</u>		Previous Amendments \$ ____ Previous Amendments \$ ____ Contingency / Allowance Total:				
Contingency / Allowance Amount \$ ____		Current Amendment: \$ ____ Current Amendment Contingency / Allowance: \$ ____				
Contingency Amount requires specific authorization by Task Manager prior to release.						
Contract TOTAL ►						\$ <u>92,694</u>
* Funding sources remain as stated on this document unless and until amended by proper authority. Funding sources are those which are ultimately responsible for the expenditure. ▼ Include funding allocation for the original contract or the amendment						
Main Task/ Project	Level 1	Level 2	Cost Code/ Object	Grant ID/ Supplement	Funding Sources/ Fund Type (Measure I, STP, CMAQ, etc.)	Amounts for Contract Total or Current Amndmnt Amt
<u>0610</u>	<u>150</u>	<u>120</u>	_____	<u>99082</u>	<u>MI 2010-40 Valley Major Street</u>	\$ <u>92,694</u>
_____	_____	_____	_____	_____	_____	\$ ____
_____	_____	_____	_____	_____	_____	\$ ____
_____	_____	_____	_____	_____	_____	\$ ____
Original Board Approved Contract Date:				<u>5/5/10</u>	Contract Start: <u>5/5/10</u>	Contract End: <u>4/5/25</u>
New Amend. Approval (Board) Date:				_____	Amend. Start: _____	Amend. End: _____
Allocate the Total Contract Amount or Current Amendment amount between Approved Budget Authority in the current year and Future Fiscal Year(s) Unbudgeted Obligation .						
Approved Budget Authority ►		Fiscal Year: _____ \$ _____		Future Fiscal Year(s) – Unbudgeted Obligation ►		\$ <u>92,694</u>
<input type="checkbox"/> Budget authority for this contract currently exists in Task No. _____ (C-Task may be used here.). <input type="checkbox"/> A budget amendment is required. A Budget Amendment Request is attached.						

CONTRACT MANAGEMENT	
Check all applicable boxes:	
<input checked="" type="checkbox"/> Intergovernmental <input type="checkbox"/> Private <input type="checkbox"/> Federal Funds <input type="checkbox"/> State/Local Funds	
<input type="checkbox"/> Disadvantaged Business Enterprise (DBE) <input type="checkbox"/> Underutilized DBE (UDBE)	

Task Manager: Ty Schuiling  Task Manager Signature Date <u>4/15/10</u>	Contract Manager: Philip Chu  Contract Manager Signature Date <u>4/15/10</u>
Chief Financial Officer Signature Date	

**PROJECT ADVANCEMENT AGREEMENT NO. C09185
BETWEEN**

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

AND

CITY OF HIGHLAND

FOR

**9TH STREET FROM CUNNINGHAM STREET TO 192' EAST OF CUNNINGHAM
STREET (SOUTH SIDE ONLY)**

**9TH STREET FROM 380' EAST OF CUNNINGHAM STREET TO 920' EAST OF
CUNNINGHAM STREET (SOUTH SIDE ONLY)**

**9TH STREET FROM ELMWOOD STREET TO STERLING AVENUE (SOUTH SIDE
ONLY)**

THIS AGREEMENT is made and entered into this ____ day of _____ by and between the San Bernardino County Transportation Authority (hereinafter referred to as "SANBAG") and City Highland (hereinafter referred to as "CITY").

WITNESSETH

WHEREAS, the SANBAG Nexus Study and the Measure I 2010-2040 Expenditure Plan identify freeway interchange, major street, and railroad grade separation PROJECT(s) eligible for partial funding from Measure I 2010-2040 revenues; and

WHEREAS, SANBAG has determined that these PROJECT(S) and expenditure phase are included in the SANBAG Nexus Study and are eligible to receive Measure I 2010-2040 funds; and

WHEREAS, because revenue for the PROJECT(S) from Measure I 2010-2040 will not be available until 2010 or later, CITY desires to use its own local (non-SANBAG) and various other funding to proceed with the PROJECT(S) at this time; and

WHEREAS, SANBAG and CITY are entering into this Agreement that will allow CITY to use funds not contributed or allocated by SANBAG to implement the PROJECT(S) immediately with the understanding that SANBAG will reimburse CITY for eligible PROJECT(S) expenditures at a later date with Measure I 2010-2040 revenue or other eligible public share revenue available to SANBAG in accordance with the reimbursement schedule established in Policy 40002 of the Measure I 2010-2040 Strategic Plan.

NOW, THEREFORE, SANBAG and CITY agree to the following:

SECTION I

DEFINITIONS:

- COST of a PROJECT is the PROJECT cost for the phase or phases defined in the Scope of Work in Attachment A.

C09185

- DEVELOPMENT SHARE of PROJECT cost is the developer contribution percentage, as listed in the SANBAG Nexus Study, times the COST of the PROJECT.
- PUBLIC SHARE of the PROJECT is the COST of the PROJECT minus its DEVELOPMENT SHARE.

SANBAG AGREES:

1. To reimburse CITY for the PUBLIC SHARE of those eligible PROJECT expenses that are incurred by CITY for the PROJECT-specific work activities, as set forth in Attachment A to this Agreement. Said reimbursement amount shall not exceed the PUBLIC SHARE amount as calculated by the total cost of the PROJECT minus the DEVELOPMENT SHARE of the cost, as indicated in the Nexus Study. The PUBLIC SHARE of the cost for the PROJECT is as follows:
 - 9th Street from Cunningham Street to 192' east of Cunningham Street (South side only)- up to 53.6% of \$26,587.
 - 9th Street from 380' east of Cunningham Street to 920' east of Cunningham Street (South side only) up to 53.6% of \$98,662.
 - 9th Street from Elmwood Street to Sterling Avenue (South side only) up to 53.6% of \$506,424.

In the event that the actual PROJECT expenditures are lower than the estimated cost in Attachment A for any individual project, the development percentage shall be applied to the actual expenditures for each.

When non-Measure I funds are included as part of the funding package, the calculation of reimbursement shall be based on policies in the SANBAG Measure I 2010-2040 Strategic Plan. The Strategic Plan provides specific guidance regarding the fund types that buy down the total PROJECT cost, the PUBLIC SHARE cost, and the DEVELOPER SHARE cost (refer to Policy 40001/VS-30).

In the event that additional Federal/State funds are applied to this PROJECT(s), the reimbursement amount shall be recalculated to reflect the change in Federal/State transportation funding.

2. SANBAG shall reimburse CITY for the PUBLIC SHARE in accordance with the reimbursement terms set forth in Policy 40002 of the Measure I 2010-2040 Strategic Plan, and after CITY submits to SANBAG an original and two copies of the signed invoices in the proper form covering those actual allowable PROJECT expenditures that were incurred by CITY.
3. When conducting an audit of the costs claimed under the provisions of this Agreement, SANBAG intends to rely to the maximum extent possible on any prior audit of CITY performed pursuant to the provisions of state and federal laws. In the absence of such an audit, work of other auditors will be relied upon to the extent that work is acceptable to SANBAG when planning and conducting additional audits.

SECTION II

CITY AGREES:

1. Only eligible PROJECT-specific work activities, as set forth in Attachment A to this Agreement, which are for transportation purposes that conform to the SANBAG Nexus Study and the Strategic Plan, will be eligible for future Measure I 2010-2040 reimbursement. CITY agrees that it will claim reimbursement only for eligible PROJECT-specific work activities.
2. To abide by all State and, if applicable, Federal policies and procedures pertaining to the PROJECT(s).
3. After completion of the PROJECT(s), to prepare and submit to SANBAG an original and two copies of signed consultant/contractor invoices for subsequent reimbursement of those eligible PROJECT expenses. CITY further agrees and understands that SANBAG will not reimburse CITY for any PROJECT expenditures that are not described in the PROJECT-specific work activities.
4. If Measure I 2010-2040 reimbursement funds are received by CITY, to repay to SANBAG any costs that are determined by subsequent audit to be unallowable within thirty (30) days of CITY receiving notice of audit findings. Should CITY fail to reimburse moneys due SANBAG within thirty (30) days of demand, or within such other period as may be agreed between both parties hereto, SANBAG reserves the right to withhold future payments due CITY from any source under SANBAG's control.
5. To maintain all source documents, books and records connected with its performance under this Agreement for a minimum of five (5) years from the date of the Final Report of Expenditures submittal to SANBAG or until audit resolution is achieved and to make all such supporting information available for inspection and audit by representatives of SANBAG. Copies will be made and furnished by CITY upon request, during the period of no less than five (5) years from the date of final reimbursement payment, if said reimbursement occurs under this Agreement.
6. To establish and maintain an accounting system conforming to Generally Accepted Accounting Principles (GAAP) to support CITY request for reimbursement, payment vouchers, or invoices which segregate and accumulate costs of PROJECT work elements and produce monthly reports which clearly identify reimbursable costs, matching fund costs, and other allowable expenditures by CITY.
7. To prepare a Final Report of Expenditures, including a final invoice reporting the actual eligible PROJECT costs expended for those activities described in the work activities, and to submit that Report and invoice no later than 60 days following the completion of those expenditures. The Final Report of Expenditures, three copies of which report shall be submitted to SANBAG, must state that these PROJECT funds were used in conformance with this Agreement and for those PROJECT- specific work activities described.

8. To have a PROJECT-specific audit completed by SANBAG upon completion of the PROJECT(s). The audit must state that all funds expended on the PROJECT(s) were used in conformance with this Agreement.
9. CITY agrees that the PROJECT reimbursement schedule will be determined according to Measure I 2010-2040 Policy 40002 of the Measure I 2010-2040 Strategic Plan. CITY acknowledges that SANBAG reserves the right to make modifications to the project advancement repayment policy at any time based on SANBAG Board approval. CITY will be notified by SANBAG of any modifications of this policy within 30 days of its modification.
10. CITY agrees to post signs at the limits of PROJECT(s) noting that PROJECT(s) is (are) funded with Measure I funds. Signs shall bear the logos of San Bernardino Associated Governments/ Measure I and CITY.

SECTION III

IT IS MUTUALLY AGREED:

1. SANBAG's financial responsibility shall not exceed the PUBLIC SHARE of the cost for each individual project listed in Attachment A (as adjusted based on the availability of Federal/State transportation funding as described in SECTION I) or the amount based on actual cost as derived in ARTICLE 1, SECTION I, whichever is less.
2. Eligible PROJECT reimbursements shall include only those costs incurred by CITY for PROJECT-specific work activities that are described in this Agreement and shall not include escalation, interest, or other fees.
3. SANBAG shall have no responsibility to reimburse any otherwise allowable PROJECT expenditures until a) sufficient Measure I 2010-2040 revenue exists to fund those eligible PROJECT reimbursements and b) CITY has satisfied any and all other necessary PROJECT requirements including the submission of all required invoices and Reports.
4. Once reimbursement is initiated, total reimbursements to all eligible advanced projects shall not exceed 40 percent of the revenues allocated to the program categories from which the projects will be funded. Reimbursement in full for eligible costs shall be completed no later than receipt of final revenues generated by Measure I 2010-2040.
5. All reimbursement to member agencies shall be subordinate to debt service on bonds sold to deliver SANBAG sponsored projects.
6. In the event CITY fails to initiate construction by January 31, 2009, fails to complete the PROJECT(s) commenced under this Agreement, fails to perform any of the obligations created by this Agreement, or fails to comply with applicable state and federal laws and regulations, SANBAG reserves the right to terminate this Agreement and any subsequent funding for the PROJECT(s) or any portion thereof upon written notice to CITY. CITY may only be reimbursed for those eligible PROJECT expenditures that occur prior to the date of termination when successfully completed

as provided for pursuant to this Agreement. Upon termination, an audit may be performed as provided in Section II, Article (8) of this Agreement.

7. The CITY is responsible for payment of the entire DEVELOPMENT SHARE amount. If there are other jurisdictions with minority DEVELOPMENT SHARE amounts, the CITY is responsible for establishing a cooperative agreement with other jurisdictions that guarantees the reimbursement of the minority DEVELOPMENT SHARE according to terms mutually agreed upon by all parties.
8. Neither SANBAG nor any officer or employee thereof is responsible for any injury, damage or liability occurring or arising by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this Agreement. It is understood and agreed that, pursuant to Government Code Section 895.4, CITY shall fully defend, indemnify and save harmless SANBAG, its officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this Agreement.
9. Except as provided in Section III 8., this Agreement will be considered terminated upon reimbursement of eligible costs by SANBAG.

**San Bernardino County
Transportation Authority**

By: _____
Paul Eaton
President, SANBAG Board of
Directors

Date: _____

APPROVED AS TO FORM AND
PROCEDURE:

By: _____
Jean Rene Basle
County Counsel

Date: 4-20-10

City of Highland

By: _____
Penny Lilburn
Mayor

Date: 3-9-10

APPROVED AS TO FORM AND
PROCEDURE:

By: _____
Craig Steele, City Attorney

Date: 3/9/10

Attachment A

Project(s) Scope and Cost

Proposed Improvements and project cost:

1. 9th Street from Cunningham Street to 192' east of Cunningham Street (South side only)- up to 53.6% of \$26,587.
2. 9th Street from 380' east of Cunningham Street to 920' east of Cunningham Street (South side only) up to 53.6% of \$98,662. (with \$75,970 TDA Article 3 funds)
3. 9th Street from Elmwood Street to Sterling Avenue (South side only) up to 53.6% of \$506,424. (with \$317,002 State Safe Routes to Schools funds)

Total cost: \$631,673

State Safe Routes to School- \$317,002 (total cost buydown per Strategic Plan Policy 40001/VS-30)

Total cost after buy down: \$314,671

TOTAL NEXUS STUDY PUBLIC SHARE \$168,664.

TDA Article 3 share= \$75,970 (applied to public share, per Strategic Plan Policy 40001/VS-30)

TOTAL REIMBURSABLE MEASURE I AFTER PUBLIC SHARE BUYDOWN \$92,694.

SANBAG Contract No. **C10092**
by and between SANBAG and County of San Bernardino
for Project Advancement Agreements for I-10 Pepper Interchange Project

FOR ACCOUNTING PURPOSES ONLY

<input checked="" type="checkbox"/> Payable	Vendor Contract # <u>C10092</u>	Retention:	<input checked="" type="checkbox"/> Original
<input type="checkbox"/> Receivable	Vendor ID <u>SBDCO</u>	<input type="checkbox"/> Yes ____ % <input checked="" type="checkbox"/> No	<input type="checkbox"/> Amendment

Notes: This is a Measure I 2010-2040 Project Advancement Agreement with repayment according to 2010- 2040 Strategic Plan

Original Contract: \$ <u>6,600,000</u>	Previous Amendments \$ ____
	Previous Amendments \$ ____
	Contingency / Allowance Total:
Contingency / Allowance Amount \$ ____	Current Amendment: \$ ____
	Current Amendment Contingency / Allowance: \$ ____

Contingency Amount requires specific authorization by Task Manager prior to release.

Contract TOTAL ► \$ 6,600,000

* Funding sources remain as stated on this document unless and until amended by proper authority. Funding sources are those which are ultimately responsible for the expenditure.

▼ Include funding allocation for the original contract or the amendment

Main Task/Project	Level 1	Level 2	Cost Code/Object	Grant ID/Supplement	Funding Sources/ Fund Type (Measure I, STP, CMAQ, etc.)	Amounts for Contract Total or Current Amndmnt Amt
<u>0610</u>	<u>999</u>	<u>110</u>	_____	<u>99081</u>	<u>MI 2010-40 Valley Interchange</u>	<u>\$ 6,600,000</u>
_____	_____	_____	_____	_____	_____	\$ ____
_____	_____	_____	_____	_____	_____	\$ ____
_____	_____	_____	_____	_____	_____	\$ ____

Original Board Approved Contract Date:	5/5/10	Contract Start: 5/5/10	Contract End: 4/5/25
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New Amend. Approval (Board) Date:	_____	Amend. Start: _____	Amend. End: _____
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Allocate the **Total Contract Amount** or **Current Amendment** amount between **Approved Budget Authority** in the current year and **Future Fiscal Year(s) Unbudgeted Obligation**.

Approved Budget Authority ►	Fiscal Year: _____ \$ ____	Future Fiscal Year(s) – Unbudgeted Obligation ►	\$ <u>6,600,000</u>
-----------------------------	-------------------------------	--	---------------------

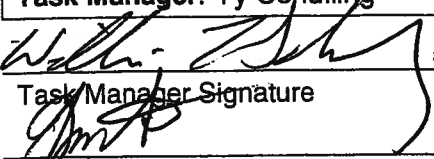
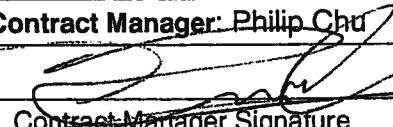
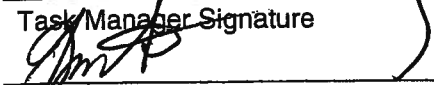
☐ Budget authority for this contract currently exists in Task No. _____ (C-Task may be used here.).

☐ A budget amendment is required. A Budget Amendment Request is attached.

CONTRACT MANAGEMENT

Check all applicable boxes:

<input checked="" type="checkbox"/> Intergovernmental	<input type="checkbox"/> Private	<input type="checkbox"/> Federal Funds	<input type="checkbox"/> State/Local Funds
<input type="checkbox"/> Disadvantaged Business Enterprise (DBE)	<input type="checkbox"/> Underutilized DBE (UDBE)		

Task Manager: Ty Schuiling	Contract Manager: Philip Chu
 Task Manager Signature	 Contract Manager Signature
 Chief Financial Officer Signature	Date <u>4/15/10</u> <u>4/20/10</u>

**PROJECT ADVANCEMENT AGREEMENT NO. C10092
BETWEEN**

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

AND

SAN BERNARDINO COUNTY

FOR

PHASE 1 OF THE INTERSTATE 10 AT PEPPER AVENUE INTERCHANGE

THIS AGREEMENT is made and entered into this ____ day of _____ by and between the San Bernardino County Transportation Authority (hereinafter referred to as "SANBAG") and County of San Bernardino (hereinafter referred to as "COUNTY").

WITNESSETH

WHEREAS, the SANBAG Nexus Study and the Measure I 2010-2040 Expenditure Plan identify freeway interchange, major street, and railroad grade separation PROJECT(s) eligible for partial funding from Measure I 2010-2040 revenues; and

WHEREAS, SANBAG has determined that this PROJECT(S) and expenditure phase are included in the SANBAG Nexus Study and are eligible to receive Measure I 2010-2040 funds; and

WHEREAS, because revenue for the PROJECT(S) from Measure I 2010-2040 will not be available until 2010 or later, COUNTY desires to use and has used its own local (non-SANBAG) funds to proceed with the PROJECT(S); and

WHEREAS, SANBAG and COUNTY are entering into this Agreement that authorizes COUNTY's use of funds not contributed or allocated by SANBAG to implement the PROJECT(S) with the understanding that SANBAG will reimburse COUNTY for eligible PROJECT(S) expenditures at a later date with Measure I 2010-2040 revenue or other eligible public share revenue available to SANBAG in accordance with the reimbursement schedule established in Policy 40002 of the Measure I 2010-2040 Strategic Plan.

NOW, THEREFORE, SANBAG and COUNTY agree to the following:

SECTION I

DEFINITIONS:

1. COST of a PROJECT is the PROJECT cost for the phase or phases defined in the Scope of Work in Attachment A.
2. DEVELOPMENT SHARE of PROJECT cost is the developer contribution percentage, as listed in the SANBAG Nexus Study, times the COST of the PROJECT.

3. PUBLIC SHARE of the PROJECT is the COST of the PROJECT minus its DEVELOPMENT SHARE.
4. PROJECT is Phase 1 of I-10 at Pepper Ave Interchange, which consists of realignment of the intersection of Pepper Avenue and Valley Boulevard.

SECTION II

SANBAG AGREES:

1. To reimburse COUNTY for the PUBLIC SHARE of those eligible PROJECT expenses that are incurred by COUNTY for the PROJECT-specific work activities, as set forth in Attachment A to this Agreement. Said reimbursement amount shall not exceed the PUBLIC SHARE amount as calculated by the total cost of the PROJECT minus the DEVELOPMENT SHARE of the cost, as indicated in the Nexus Study. The PUBLIC SHARE of the cost for the PROJECT is as follows:

- I-10 Pepper Ave Interchange up to \$6,600,000 (66% of Nexus Study Cost)

In the event that the actual PROJECT expenditures are lower than the estimated cost in Attachment A for any individual project, the development percentage shall be applied to the actual expenditures for each.

When non-Measure I funds are included as part of the funding package, the calculation of reimbursement shall be based on policies in the SANBAG Measure I 2010-2040 Strategic Plan. The Strategic Plan provides specific guidance regarding the fund types that buy down the total PROJECT cost, the PUBLIC SHARE cost, and the DEVELOPER SHARE cost (refer to Policy 40001/VS-30).

In the event that additional Federal/State funds are applied to this PROJECT(s), the reimbursement amount shall be recalculated to reflect the change in Federal/State transportation funding.

2. SANBAG shall reimburse COUNTY for the PUBLIC SHARE in accordance with the reimbursement terms set forth in Policy 40002 of the Measure I 2010-2040 Strategic Plan, and after COUNTY submits to SANBAG an original and two copies of the signed invoices in the proper form covering those actual allowable PROJECT expenditures that were incurred by COUNTY.
3. When conducting an audit of the costs claimed under the provisions of this Agreement, SANBAG intends to rely to the maximum extent possible on any prior audit of COUNTY performed pursuant to the provisions of state and federal laws. In the absence of such an audit, work of other auditors will be relied upon to the extent that work is acceptable to SANBAG when planning and conducting additional audits.

SECTION III

COUNTY AGREES:

1. Only eligible PROJECT-specific work activities, as set forth in Attachment A to this Agreement, which are for transportation purposes that conform to the SANBAG Nexus Study and the Strategic Plan, will be eligible for future Measure I 2010-2040

reimbursement. COUNTY agrees that it will claim reimbursement only for eligible PROJECT-specific work activities.

2. To abide by all State and, if applicable, Federal policies and procedures pertaining to the PROJECT(s).
3. After completion of the PROJECT(s), to prepare and submit to SANBAG an original and two copies of signed consultant/contractor invoices and/or for in-house staff time documentation of hours by individual and salary rate with tabulations from the payroll system by project task as backup for subsequent reimbursement of those eligible PROJECT expenses. COUNTY further agrees and understands that SANBAG will not reimburse COUNTY for any PROJECT expenditures that are not described in the PROJECT-specific work activities.
4. If Measure I 2010-2040 reimbursement funds are received by COUNTY, to repay to SANBAG any reimbursements that are determined by subsequent audit to be unallowable within ninety (90) days of COUNTY receiving notice of audit findings, which time shall include an opportunity for COUNTY to respond to and/or resolve the finding. Should COUNTY fail to reimburse moneys due SANBAG within ninety (90) days of demand, or within such other period as may be agreed between both parties hereto, the SANBAG Board reserves the right to withhold future payments due COUNTY from any source under SANBAG's control.
5. To maintain all source documents, books and records connected with its performance under this Agreement for a minimum of five (5) years from the date of the Final Report of Expenditures submittal to SANBAG or until audit resolution is achieved and to make all such supporting information available for inspection and audit by representatives of SANBAG. Copies will be made and furnished by COUNTY upon request, during the period of no less than five (5) years from the date of final reimbursement payment, if said reimbursement occurs under this Agreement.
6. To establish and maintain an accounting system conforming to Generally Accepted Accounting Principles (GAAP) to support COUNTY request for reimbursement, payment vouchers, or invoices which segregate and accumulate costs of PROJECT work elements and produce monthly reports which clearly identify reimbursable costs, matching fund costs, and other allowable expenditures by COUNTY.
7. To prepare a Final Report of Expenditures, including a final invoice reporting the actual eligible PROJECT costs expended for those activities described in the work activities, and to submit that Report and invoice no later than 120 days following the completion of those expenditures. The Final Report of Expenditures, three copies of which report shall be submitted to SANBAG, must state that these PROJECT funds were used in conformance with this Agreement and for those PROJECT- specific work activities described.
8. To have a PROJECT-specific audit completed by SANBAG, at SANBAG's option, upon completion of the PROJECT(s). The audit must state that all funds expended on the PROJECT(s) were used in conformance with this Agreement.

9. COUNTY agrees that the PROJECT reimbursement schedule will be determined according to Measure I 2010-2040 Policy 40002 of the Measure I 2010-2040 Strategic Plan. COUNTY acknowledges that SANBAG reserves the right to make modifications to the project advancement repayment policy at any time based on SANBAG Board approval. COUNTY will be notified by SANBAG of any modifications of this policy within 30 days of its modification.
10. COUNTY agrees to post signs at the limits of PROJECT(s) noting that PROJECT(s) is (are) funded with Measure I funds. Signs shall bear the logos of San Bernardino Associated Governments/ Measure I and COUNTY.

SECTION IV

IT IS MUTUALLY AGREED:

1. The SANBAG Nexus Study identifies the fair-share percentages of total project costs as: SANBAG 66%, City of Colton 31.25%, City of San Bernardino 1.39%, and COUNTY 1.36%.
2. SANBAG's financial responsibility shall not exceed the PUBLIC SHARE of the cost for each individual project listed in Attachment A (as adjusted based on the availability of Federal/State transportation funding as described in SECTION II) or the amount based on actual cost as derived in SECTION II, whichever is less.
3. Eligible PROJECT reimbursements shall include only those costs incurred by COUNTY for PROJECT-specific work activities that are described in this Agreement and shall not include escalation, interest, or other fees.
4. SANBAG shall have no responsibility to reimburse any otherwise allowable PROJECT expenditures until a) sufficient Measure I 2010-2040 revenue exists to fund those eligible PROJECT reimbursements and b) COUNTY has satisfied any and all other necessary PROJECT requirements including the submission of all required invoices and Reports.
5. Once reimbursement is initiated, total reimbursements to all eligible advanced projects shall not exceed the percentage of the revenues allocated to the program categories from which the projects will be funded as determined according to the Measure I 2010-2040 Policy 40002, PA9 of the Measure I 2010-2040 Strategic Plan. Reimbursement in full for eligible costs shall be completed no later than receipt of final revenues generated by Measure I 2010-2040.
6. This Agreement is expressly subordinated to any bonds, notes, certificates or other evidences of indebtedness involved in bond financings as are now outstanding or as may hereafter be issued by SANBAG.
7. In the event COUNTY fails to perform any of the obligations created by this Agreement, or fails to comply with applicable state and federal laws and regulations, SANBAG reserves the right to terminate this Agreement and any subsequent funding for the PROJECT(s) or any portion thereof upon written notice to COUNTY. COUNTY may only be reimbursed for those eligible PROJECT expenditures that occur prior to the date of termination when successfully completed as provided for

pursuant to this Agreement. Upon termination, an audit may be performed as provided in Section III, Article (8) of this Agreement.

8. The COUNTY is responsible for the advance payment of the entire DEVELOPMENT SHARE amount. COUNTY is responsible for establishing a cooperative agreement with City of Colton and City of San Bernadino that guarantees the reimbursement of the DEVELOPMENT SHARE according to terms mutually agreed upon by COUNTY, City of Colton and City of San Bernadino.
9. Neither SANBAG nor any officer or employee thereof is responsible for any injury, damage or liability occurring or arising by reason of anything done or omitted to be done by COUNTY under or in connection with any work, authority or jurisdiction delegated to COUNTY under this Agreement. It is understood and agreed that, pursuant to Government Code Section 895.4, COUNTY shall fully defend, indemnify and save harmless SANBAG, its officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by COUNTY under or in connection with any work, authority or jurisdiction delegated to COUNTY under this Agreement.
10. Except as provided in Section IV 7., this Agreement will be considered terminated upon reimbursement of eligible costs by SANBAG.

San Bernardino County
Transportation Authority

By: _____
Paul Eaton President, SANBAG Board of Directors

Date: _____

APPROVED AS TO FORM AND
PROCEDURE:

By: J. Rene Basle
Jean-Rene Basle
County Counsel

Date: 4-20-10

San Bernardino County

By: Gary C. Ovitt
Gary C. Ovitt, Chairman,
San Bernardino County Board of Supervisors

Date: MAR 23 2010
TO THE CHAIRMAN OF THE BOARD
OF SUPERVISORS
OF THE COUNTY OF SAN BERNARDINO
SIGNED AND CERTIFIED THAT A COPY OF
THIS DOCUMENT HAS BEEN DELIVERED

APPROVED AS TO FORM AND
PROCEDURE:

By: _____
County Attorney

Date: _____

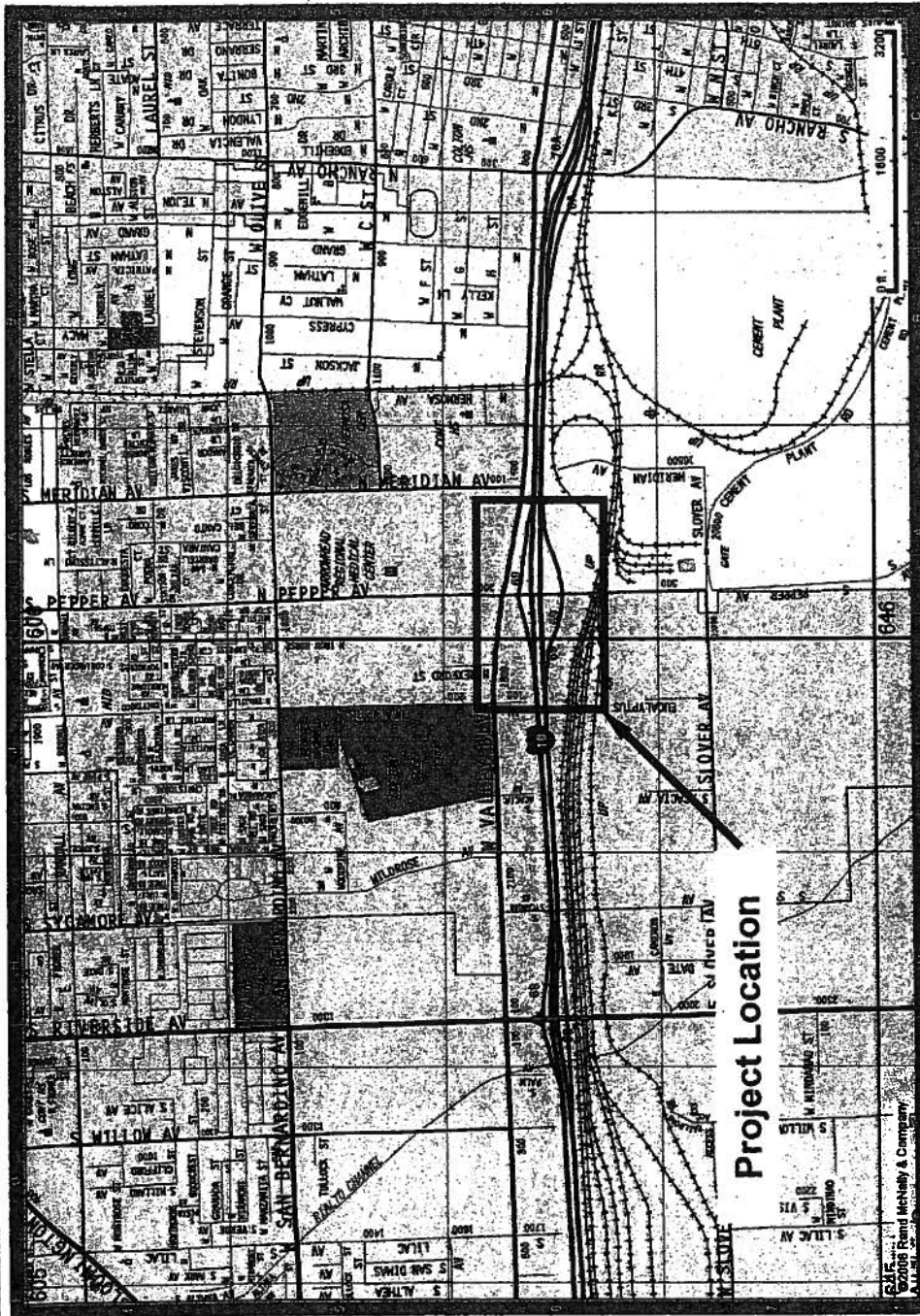
Attachment A

Project(s) Scope and Cost

Proposed Improvements and project cost:

1. I-10 Pepper Ave Interchange Phase 1 – Realignment of Pepper Ave & Valley Blvd
Nexus Study Cost (2006): \$10,000,000
Public Share: \$6,600,000 (66% of Nexus Study Cost)

TOTAL NEXUS STUDY PUBLIC SHARE \$6,600,000.



COLTON AREA



COUNTY OF SAN BERNARDINO
DEPARTMENT OF PUBLIC WORKS

PEPPER AVENUE
AT I-10
INTERCHANGE PROJECT

LOCATION MAP
County Roads No. 647800
Work Order No. H14127

Lat.: 34.0408 Long.: -117.2110

DISCUSSION ITEMS

- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 17

Date: May 12, 2010

Subject: Set Date for Election of Officers for 2010/2011

Recommendation: Set election for President and Vice President of the SANBAG Board of Directors to be conducted at the June 2, 2010 Board meeting.

Background: In accordance with the SANBAG Bylaws, the Board of Directors annually elects officers of the organization. This item sets the election of officers for the June 2, 2010 meeting of the SANBAG Board. Section B of the SANBAG Bylaws states:

The Office of President shall alternate annually between county representatives and city representatives. In years when the President is a county representative, the Vice President shall be a city representative and vice versa.

In accordance with SANBAG Policy No. 10002, the SANBAG Vice President shall serve as Chair of the Administrative Committee. Additionally, an informal practice has been established which rotates the city office holders among East Valley, West Valley, and Mountain/Desert city members, which would call for rotation of the Vice President seat to an East Valley city representative. A Chronology of Officers is attached to this agenda item for information. New officers will take office at the July meeting of the Board of Directors.

*Approved
Board of Directors*

Date: _____

Moved:

Second:

In Favor:

Opposed:

Abstained:

Witnessed: _____

Financial Impact: This item has no financial impact on the SANBAG budget. Staff activities related to officer elections is consistent with the adopted SANBAG budget, Task 60110000.

Reviewed By: This item has not received prior review by any SANBAG policy committee.

Responsible Staff: Duane A. Baker, Director of Management Services

Attachment #1 SANBAG Chronology of Officers

List of Officers who have served on the SANBAG Board of Directors from 1973 to the present.

Term	President	Vice President
2009-2010	Paul Eaton City of Montclair	Brad Mitzelfelt Board of Supervisors
2008-2009	Gary Ovitt Board of Supervisors	Paul Eaton City of Montclair
2007- 2008	Lawrence Dale City of Barstow	Gary Ovitt Board of Supervisors
Jan. 2007- June 2007	Dennis Hansberger Board of Supervisors	Lawrence Dale City of Barstow
July 2006-Dec. 2006	Dennis Hansberger Board of Supervisors	James Lindley City of Hesperia
2005-2006	Kelly Chastain City of Colton	Dennis Hansberger Board of Supervisors
2004-2005	Paul Biane Board of Supervisors	Kelly Chastain City of Colton
2003-2004	Bill Alexander City of Rancho Cucamonga	Paul Biane Board of Supervisors
2002-2003	Bill Postmus Board of Supervisors	Bill Alexander City of Rancho Cucamonga
2001-2002	Jim Bagley City of Twentynine Palms	Bill Postmus Board of Supervisors
2000-2001	Dennis Hansberger Board of Supervisors	Jim Bagley City of Twentynine Palms
1999-2000	Robert Christman City of Loma Linda	Dennis Hansberger Board of Supervisors
1998-1999	Kathy A. Davis Board of Supervisors	Robert Christman City of Loma Linda
1997-1998	David Eshleman City of Fontana	Kathy A. Davis Board of Supervisors
1996-1997	Jon Mikels Board of Supervisors	David Eshleman City of Fontana
1995-1996	Jim Busby City of Victorville	Jon Mikels Board of Supervisors

1994-1995	Jerry Eaves Board of Supervisors	Jim Busby City of Victorville
1993-1994	Laurie Tully-Payne City of Highland	Jerry Eaves Board of Supervisors
1992-1993	Barbara Cram Riordan Board of Supervisors	Laurie Tully-Payne City of Highland
1991-1992	Larry Rhinehart City of Montclair	Robert Hammock Board of Supervisors
1990-1991	Marsha Turoci Board of Supervisors	Larry Rhinehart City of Montclair
1990-1991	A.W. Bill Speyers City of Big Bear Lake	Marsha Turoci Board of Supervisors
1989-1990	Larry Walker Board of Supervisors	A.W. Bill Speyers City of Big Bear Lake
1988-1989	Elmer Digneo City of Loma Linda	Larry Walker Board of Supervisors
1987-1988	Jon Mikels Board of Supervisors	Elmer Digneo City of Loma Linda
1986-1987	Frank Carpenter City of Upland	Jon Mikels Board of Supervisors
1985-1986	Barbara Cram Riordan Board of Supervisors	Jon Mikels City of Rancho Cucamonga
1984-1985	Edward Dondelinger City of Adelanto	Barbara Cram Riordan Board of Supervisors
1983-1984	David McKenna Board of Supervisors	Edward Dondelinger City of Adelanto
1982-1983	John Longville City of Rialto	David McKenna Board of Supervisors
1981-1982	Cal McElwain Board of Supervisors	John Longville City of Rialto
1980-1981	Homer Briggs City of Ontario	Cal McElwain Board of Supervisors
1979-1980	Robert Hammock Board of Supervisors	Homer Briggs City of Ontario
1978-1979	Chresten Knudsen City of Redlands	Joe Kamansky Board of Supervisors
1977-1978	Robert Townsend Board of Supervisors	George Goldsmith City of Barstow
1976-1977	Eileen Carter City of Chino	Robert Townsend Board of Supervisors
1975-1976	James Mayfield Board of Supervisors	Jack Cummings City of Redlands
1974-1975	John McCarthy City of Upland	James Mayfield Board of Supervisors
1973-1974	Nancy Smith Board of Supervisors	John McCarthy City of Upland

Minute Action

AGENDA ITEM: 18

Date: May 12, 2010

Subject: Fiscal Year 2010/2011 Proposed SANBAG Budget

- Recommendation:***
1. Note Board of Directors Budget Workshop schedule May 12, 2010 at 8:30 a.m. in conjunction with the Administrative Committee Meeting.
 2. Presentation of the 2010/2011 Proposed Budget.
 3. Schedule the public hearing and adoption of the 2010/2011 Budget for the June 2, 2010 Board of Directors Meeting.

Background: The development of the 2010/2011 proposed budget has been completed. As part of the budget schedule adoption, the date for the Board of Directors Workshop has been scheduled for 8:30 a.m., Wednesday May 12th, 2010. This workshop provides an opportunity for additional policy discussion and direction regarding the proposed budget. The budget workshop will be held in conjunction with the Administrative Committee meeting. The proposed budget documents will be distributed to members of the Board prior to the Budget Workshop.

The SANBAG budget process began in February 2010 with the adoption of the 2010/2011 budget schedule. During the months of March and April, SANBAG policy committees reviewed the task descriptions and budgets under their purview, including new activity and estimated encumbrances. Additionally, the Administrative Committee had the task of reviewing the agency-wide program budgets, the fringe/indirect allocations, revenue projections, and planned expenditures.

Approved
Board of Directors

Date: _____

Moved: _____ *Second:* _____

In Favor: _____ *Opposed:* _____ *Abstained:* _____

Witnessed: _____

SANBAG is required to publish notice of the time and place of the public hearing for adoption of the annual budget (Public Utilities Code Sec. 130103/Government Code Sec 60612). The budget schedule also sets the date for the public hearing for 9:30 a.m. at the June 2, 2010 Board of Directors Meeting.

Financial Impact: The 2010/2011 Budget establishes the financial, staffing and work product authority for agency activities during the coming fiscal year. Estimated revenues for the 2010/2011 are \$360,141,918 and expenditures, not including encumbrances, are \$351,905,217.

Reviewed By: All five of the SANBAG policy committees have reviewed task descriptions and budget for activities under their purview. The Administrative Committee has also reviewed and received the elements related to the agency-wide programs, the fringe/indirect allocations, revenue projections and planned expenditures. The proposed budget will be reviewed at the budget workshop in conjunction with the Administrative Committee Meeting on May 12, 2010

Responsible Staff: William Stawarski, Chief Financial Officer

Minute Action

AGENDA ITEM: 19

Date: May 12, 2010

Subject: I-15/I-215 (Devore) Interchange - Trade Corridor Improvement Fund (TCIF)

- Recommendation:***
1. Approve removing I-15/I-215 (Devore) Interchange from the TCIF program, with the understanding that the \$118 million of TCIF funds will be replaced with an equivalent amount from another State funding source.
 2. Authorize the Executive Director to submit a letter to the California Transportation Commission (CTC) requesting that the I-15/I-215 (Devore) Interchange be removed from the TCIF program.

Background: In September 2008, the Devore Interchange the TCIF Baseline Agreement was executed and \$118 million was programmed on the project. The preliminary engineering and environmental phase is making good progress, and construction is scheduled to commence utilizing design-build in the first half of 2012.

The recommendation is to remove the Devore Interchange project and replace the \$118 million with another State funding source. The TCIF programming capacity is required for the Colton Crossing project. The details leading to this requirement are described below.

The following is a recap of the actions taking on Colton Crossing. These actions have been discussed in more detail in previous agenda items.

*Approved
Board of Directors*

Date: _____

Moved: _____ *Second:* _____

In Favor: _____ *Opposed:* _____ *Abstained:* _____

Witnessed: _____

- On April 10, 2008, the California Transportation Commission (CTC) programmed \$97,305,000 in TCIF funds, subject to certain conditions, for the Colton Crossing project.
- On February 17, 2010, \$33.8 million of Transportation Investment Generating Economic Recovery (TIGER) funds were granted to the project.
- On March 25, 2010, the CTC rejected the TCIF baseline agreement. The CTC requested that SANBAG become the lead, in collaboration with the other Southern California Consensus Group members, in renegotiating with the railroads in an attempt to salvage the project.
- March 26 through April 26, 2010, additional public benefits, including passenger rail slots, right-of-way required for enhanced commuter rail service and enhanced improvements for the City of Colton, were obtained from the railroads and included in the MOUs related to the Colton Crossing.
- On April 7, 2010, the SANBAG Board authorized the Executive Director to approve the Baseline Agreement and authorized the Major Projects Committee to consider and approve the two MOUs.
- On April 8, 2010, the CTC continued a decision on the Colton Crossing until May 19, 2010, with the direction that all required documents be executed and submitted to the CTC by May 7, 2010. The amount of TCIF funds being considered for programming was reduced to \$91,305,000.
- On April 15, 2010, the Major Projects Committee did consider the two MOUs related to Colton Crossing and deferred action to a special committee meeting on April 27, 2010.
- On April 27, 2010, Major Project Committee approved both MOUs.

With the CTC denying programming the TCIF funds on the Colton Crossing project on March 25, 2010, the available TCIF programming was transferred to the Southern California Corridors. While the \$91 million of programming was available an equivalent amount of cash was not transferred. With the TCIF program for Southern California Corridors already over programmed, the addition of the Colton Crossing without cash exacerbated the situation and placed projects currently programmed at jeopardy. This was of concern to the Southern California Consensus Group members, including SANBAG.

To resolve this issue, staff in conjunction with the CTC and Caltrans has developed a plan that allows the Colton Crossing to be included in the TCIF program without jeopardizing other currently funded projects. Caltrans has additional SHOPP funds as a result of available Federal Stimulus funds and low construction bids. SHOPP funds are limited to expenditures for operational and maintenance improvements. The Devore Interchange project is largely an operational improvement, therefore qualifies for the SHOPP program. The plan being developed will utilize SHOPP funds on the Devore Interchange in lieu of TCIF funds. Caltrans executive management, who has the sole authority to nominate projects into the SHOPP, and

the CTC, who has the final approval authority for projects included in the SHOPP both concur with this plan.

SANBAG staff recommends the Devore Interchange be removed from the TCIF program, and the Executive Director is authorized to submit a letter to the CTC requesting such.

Financial Impact: This item will not directly affect the FY 2009/2010 budget. A budget amendment may be required once the CTC approvals are received.

Reviewed By: This item has not had prior policy committee review.

Responsible Staff: Garry Cohoe, Director of Freeway Construction

-
- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies
-

Minute Action

AGENDA ITEM: 20

Date: May 12, 2010

Subject: Sole Source Purchase Order P10228 for the purchase and implementation of a capital program/project management software.

Recommendation: * Approve Sole Source Purchase Order No. P10228 with EcoSys to purchase 10 licenses of EcoSys Financial Manager, implementation services, three years of maintenance services for a total amount of \$160,000.00.

Background: Recently, the SANBAG Freeway Construction Program began the implementation of a new scheduling and contract management system to help monitor and manage SANBAG major projects. Due to the inherent limitations of the scheduling and contract management software that is being used, the system has not been able to fully address SANBAG's need to manage revenue and programming information. As part of the requirements of the Strategic Plan, staff is also in the process of preparing a 10-Year Delivery Plan which requires a compilation of a wide variety of data from numerous sources. Because programming consists of multiple sources of revenue in addition to Measure 'I', revenue forecasting and cash flow analysis becomes more difficult. Therefore, it is becoming increasingly important to begin using a more advanced and robust capital program/project management software.

*

*Approved
Board of Directors*

Date: _____

Moved: _____ *Second:* _____

In Favor: _____ *Opposed:* _____ *Abstained:* _____

Witnessed: _____

BRD1005f-gc

Attachments: P10228, P10228 Attachment A, P10228 Attachment B, BRD1005f 1-gc, BRD1005f2-gc

TN 6091000/TN 81510000

To meet SANBAG's need, the management software needs to:

- Maintain and track projected funding source revenues against actual.
- Allow projects to receive allocations from one or more funding sources while maintaining cash balances for each funding source.
- Track changes in funds, allocations and fund transfers.
- Analyze multiple factors such as account debt service, inflation factors, and recoveries.
- Evaluate and manage bonding opportunities.
- Fully integrate with existing SANBAG systems such as Oracle Primavera P6 and Oracle Primavera Contract Manager.
- Integrate the data into one system so it would not be housed on numerous spreadsheets.
- Track programming data.
- Be user friendly.

SANBAG staff investigated three program/project management software applications. Of the three, staff determined that EcoSys Financial Manager software have the capabilities to meet the requirements listed above and was most compatible with the existing SANBAG system. EcoSys was specifically developed to integrate with Primavera P6 and Contract Manager. The other software applications did not provide this level of integration, which would result in additional staff time to maintain the data. EcoSys provides functionality in a single system, including: funding source revenue forecasting; 5, 10, and 30 year capital budgeting; management of cash balances; enforcement of funding rules; project cost reporting; and unlimited version control for what-if scenarios and analysis. Another key benefit of the proposed EcoSys software is the software's ability to analyze data and to provide information that is needed for the SANBAG 10-Year Delivery Plan.

The 10-Year Delivery Plan is scheduled to be completed by the fall of 2010. Due to the tight schedule, there is not time to go through a formal procurement process. Staff has done due diligence to identify the capital program/project management software that would be best suited to meet SANBAG's needs. SANBAG staff met with existing EcoSys users to receive feedback on their experience with the software. The responses were positive on both the software and the implementation services provide by EcoSys.

The request is to purchase 10 licenses of EcoSys Financial Manager, 480 hours of implementation services at \$200.00 per hour, and three year of maintenance services for a total amount of \$160,000. Implementation of the proposed EcoSys Financial Manager software can begin immediately following receipt of Board approval and will allow SANBAG staff to meet the 10-Year Delivery Plan schedule. The system will also be able to provide information for the fiscal year 2011/2012 budget.

Included with this agenda item is: Exhibit 1, the Purchase Order for EcoSys Financial Manager Software including Attachment A, Master Software License and Services Agreement and Attachment B, Master Professional Services Agreement; Exhibit 2 EcoSys Software Quotation and Implementation Services Proposal; and Exhibit 3 EcoSys Information Brochure.

Since this item was considered by the Major Projects Committee, staff has revised the request to include an additional two years of maintenance, for a total of three. This addition increased the purchase order amount from \$144,000 to \$160,000.

Financial Impact: This Purchase Order is consistent with the FY 09/10 Budget. This purchase order will be funded by TN 6091000 and TN 8151000 utilizing Measure I 2010-2040 funds.

Reviewed By: This item was reviewed and unanimously recommended for approval by the Major Projects Committee on April 15, 2010. SANBAG Counsel has reviewed and approved the Agreements as to form.

Responsible Staff: Garry Cohoe, Director of Freeway Construction

EXHIBIT 1

San Bernardino Associated Governments

PURCHASE ORDER REQUEST

NOTE: Do not use a purchase order for construction projects, roadwork, purchase or lease of real property, and employment contracts.

Short Description of PO to be included in monthly procurement report. (Required) Use up to a maximum of <u>27</u> characters (spaces count) to provide a short description in RCMS.	RCMS EcoSys Financial Manager
--	---

Short Description of PO to be included in monthly procurement report. (Required) Use up to a maximum of <u>40</u> characters (spaces count) provide a short description in EDEN.	EDEN EcoSys Financial Manager
---	---

VENDOR: EcoSys **Vendor ID** _____

ADDRESS: 580 California Street 16th Floor, San Francisco, CA 94104

PHONE: (866) 432-6797

☐ **Process payment from this PO Request – invoice is attached.**

PO End Date (required): 06/30/2011 **PO # (if released for RFP/RFQ):** P10228

Item Description	Order Qty	Task #	Cost Code	Amount
EcoSys Financial Manager Software	10	0609	52700	\$ 40,000
Ecosys Maintenance Services - Three Year	1	0609	52700	\$ 24,000
Implementation Services (\$200/hr)	60 hrs	0815	52700	\$ 96,000
				\$
				\$
				\$
Shipping/Handling				\$
TOTAL				\$ 160,000

Attach any special instructions that are to be noted on the purchase order.

Please answer the following questions regarding the selection process:

Was the County Pre-Approved Vendor List used? ☒ No ☐ Yes

Was an informal competitive bid process done? ☒ No ☐ Yes – see Informal Bid Process Section A.

Is this a sole source purchase order? ☐ No ☒ Yes – see Sole Source Section B.

Requested By: Tom Ross	Date 4/06/10
P.O. Manager's Signature	Date
Approved by Task Manager (Signature)	

Filename: Agreements\PO10228

Section A: Informal Bid Process

In accordance with policies adopted by the SANBAG Board, informal bid procedures shall be followed for **bids in excess of \$5,000 and under \$25,000**. The award of a purchase order will be to the lowest responsible bidder whose bid conforms to the requirements. Bids may be gathered by telephone, computerized bidding system, or written submittal. If detailed bids and/or responses are necessary, SANBAG may issue written Requests for Quotation. Results of the informal process shall be documented using this form.

Date:	Date Bids Were Gathered	_____
Item:	Description of Item: _____	
Staff:	Name of Persons Collecting Bids: _____	
Bidders:	_____	

- | | | | |
|----|----------------|-------|----------|
| 1. | Company Name | _____ | \$ _____ |
| | Representative | _____ | |
| 2. | Company Name | _____ | \$ _____ |
| | Representative | _____ | |
| 3. | Company Name | _____ | \$ _____ |
| | Representative | _____ | |

Section B: Sole Source

Check the appropriate box and provide Justification:

☒ Unique Qualifications ☒ Significant Time Constraints ☒ Demonstrated Experience

Justification: Best suited to match SANBAG's existing. Detailed justification included in May 12, 2010 Board Agenda Item.

Excerpt from SANBAG Policy 11000, Contracting and Procurement Policy:

VII. SUPPLIES AND SERVICES CONTRACTS

D. Sole Source Process

In those specific instances when it may be necessary or prudent to enter into sole source contracts, specific approval shall be required.

1. All sole source contracts shall be governed by the following guidelines:

- Sole source contracts may be recommended for approval upon a finding of appropriateness and that it is in the best interest of the agency to do so.
 - Contracts may be recommended for approval on a sole source selection based upon a **requirement for unique qualifications**, the **existence of significant time constraints**, and/or in **certain instances of demonstrated experience**.
 - Any recommendation for approval of a contract for which a competitive process has not been completed shall contain **justification for the lack of competition**.
 - Any recommendation to the Board of Directors for sole source procurement must be specifically called out in the agenda item and shall be placed on the discussion calendar.
2. The Executive Director, or his/her designee, shall approve sole source procurements up to \$25,000, using the guidelines outlined in this section. Such sole source procurements shall be routinely reported to the Board of Directors.



MASTER SOFTWARE LICENSE AND SERVICES AGREEMENT

This Master Software License and Services Agreement (this "Agreement") is made as of the May 12th 2010 (the "Effective Date"), between EcoSys Management LLC, with an address at 800 Westchester Ave, Suite S710 Rye Brook, New York 10573 ("Licensor"), and San Bernardino Associated Governments, with an address at 1170 W. 3rd Street, 2nd Floor San Bernardino, California 92410-1715 ("Licensee").

1. **Definitions.** The following terms shall have the following meanings as set forth below:

"Documentation" means collectively, the operation instructions, user manuals, help files and other technical information and materials, in written or electronic form, delivered with the Licensed Programs and that are intended by Licensor for use in connection with the Licensed Programs.

"Licensed Programs" means the machine-readable version of the software listed in this Agreement and all corrections, alterations and updates and any Documentation. All rights not expressly granted to Licensee in this Agreement are reserved to Licensor.

"Maintenance Services" means the services to be provided by Licensor to Licensee set forth in Schedule B hereto. Additional terms and conditions applicable solely to the Maintenance Services are also set forth in Schedule B.

"Pricing Schedule" shall have the meaning set forth in Section 4(c).

"Warranty Period" shall have the meaning set forth in Section 6(a).

2. **License Grant.** Subject to the terms and conditions of this Agreement and upon payment in full of the License Fee set forth in Schedule A, Licensor hereby grants to Licensee and Licensee accepts a perpetual non-exclusive, non-transferable, license to use the Licensed Programs and the Maintenance Services solely for Licensee's own internal use in a single production database for the number of named users as set forth herein and in the Documentation.

3. **Restrictions On Use.** Licensor has represented to Licensee that it has expended great expense in creating the Licensed Programs and the Maintenance Services and has a proprietary interest therein. Licensee acknowledges that Licensor represents that the Licensed Programs and the Maintenance Services is copyrighted and contains trade secrets. Licensee covenants that it will not sublicense, disclose, display, copy, distribute, transfer or use the Licensed Programs and the Maintenance Services for any other purpose or on any other terms other than that described herein and will hold in strict confidence the design, specifications and associated Documentation of the Licensed Programs and the Maintenance Services. Neither Licensee, nor any third party, shall modify, adapt, translate, prepare derivative works from, decompile, reverse engineer, or otherwise attempt to derive the source code from the Licensed Programs and the Maintenance Services. Neither Licensee, nor any third party, shall remove, obscure or alter Licensor's copyright notices, trademarks or other proprietary rights or notices affixed to or contained in the Licensed Programs and the Maintenance Services. Licensee further acknowledges and agrees that in the event of a breach or threatened breach by the Licensee of any of the provisions of this paragraph, Licensor will have no adequate remedy at law and accordingly shall be entitled to injunctive relief. However, no specification in this



Agreement of a specific legal or equitable remedy shall be construed as a waiver or prohibition against any other legal or equitable remedies in the event of the breach of any provision of this Agreement. The covenants contained in this paragraph shall survive the termination of this Agreement. Licensee shall take appropriate action whether by instruction, agreement or otherwise and whether with its employees or others, to satisfy its obligations under this Agreement with respect to the use, copying, protection and security of the Licensed Programs and the Maintenance Services, Documentation and all materials related thereto.

4. Fees/Payment Terms.

(a) Licensor will deliver the Licensed Programs, together with applicable Documentation upon execution by Licensor of this Agreement.

(b) The Licensed Programs will include the functionality described in its accompanying Documentation.

(c) The cost of the Licensed Programs is as shown in Schedule A to this Agreement (the "Pricing Schedule").

(d) Licensor may provide Maintenance Services for a separate annual charge as described in the Annual Maintenance Terms & Conditions attached to this Agreement as Schedule B.

(e) Licensee may purchase professional services and other services not covered by this Agreement from Licensor upon execution of a mutually acceptable agreement for such services.

(f) All fees will be due and payable within thirty (30) days of Licensee's receipt of invoice. Licensee is responsible for all sales, use or similar taxes imposed by any governmental entity on the transactions contemplated by this Agreement, excluding taxes based on Licensor's net income.

5. Termination.

5.1 Term. This Agreement becomes effective on the Effective Date. This Agreement and the license(s) granted hereunder will remain in effect unless and until terminated pursuant to Section 5.2. Unless terminated pursuant to Section 5.2, Licensor shall provide the Maintenance Services for an initial term of three (3) years ("Initial Term"). Thereafter, the provisions of this Agreement relating to Maintenance Services will be extended upon request of licensee except as provided in Section 5.2.

5.2. Termination for Material Breach. In the event of any other material breach of this Agreement, the non-breaching party shall give the breaching party written notice describing such breach. In the event that the breaching party fails to cure such material breach within thirty (30) days after receipt of written notice of such breach from the non-breaching party, the non-breaching party may terminate this Agreement, in whole or in part, upon written notice to the breaching party.

5.3 Effect of Termination. Upon the effective date of any termination by Licensor pursuant to Section 5.2 of this Agreement with respect to a breach of Sections 2, 3, or 4(f), without prejudice to any other rights which the parties may have, and subject to the other provisions of this Agreement: (i) Licensor shall immediately discontinue providing Maintenance Services to Licensee; (ii) ~~Licensee shall immediately discontinue any and all use of the Licensed Programs or the Maintenance Services, and return any Documentation to Licensor;~~ and Licensee shall immediately discontinue any and all use of the Licensed Programs or the Maintenance



Services, and return any Documentation to Licensor; (iii) Licensee shall pay Licensor any outstanding amounts due hereunder. For the avoidance of doubt, this Section 5.3 shall not apply if elects to discontinue purchasing Maintenance Services hereunder.

6. Warranties; Disclaimer of Warranties; Limitation of Liability. (a) For a period of ninety (90) days from the date of delivery of the Licensed Programs (the "Warranty Period"), Licensor warrants that when used in accordance with the accompanying Documentation the Licensed Programs will perform the functions and meet the specifications contained in such Documentation in all material respects.

(B) EXCEPT AS EXPRESSLY STATED HEREIN, LICENSOR MAKES NO WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE LICENSED PROGRAMS INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT. IN NO EVENT WILL LICENSOR BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL, INDIRECT, OR SPECIAL DAMAGES, EVEN IF LICENSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. LICENSOR DOES NOT WARRANT THAT THE LICENSED PROGRAM OR THE MAINTENANCE SERVICES WILL MEET ALL OF LICENSEE'S REQUIREMENTS OR THAT THE USE OF THE LICENSED PROGRAM OR THE MAINTENANCE SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE. LICENSOR'S SOLE LIABILITY TO LICENSEE, IF ANY, SHALL IN NO EVENT EXCEED THE FEES PAID BY LICENSEE FOR THE LICENSES GRANTED HEREIN. LICENSEE MAY COMMENCE NO ACTION OR PROCEEDING UNDER THIS AGREEMENT, REGARDLESS OF FORM, MORE THAN ONE (1) YEAR AFTER THE CAUSE OF ACTION ACCRUES.

7. Miscellaneous.

7.1 Assignment and Transfer; Subcontractors. The license is granted to Licensee hereunder based upon its particular needs, size, and intended usage. Licensee may not assign or transfer the license granted by this Agreement without the prior written consent of Licensor in each instance. Licensor shall have the right to provide any Maintenance Services hereunder through subcontractors or other third parties provided that Licensor remains responsible for the acts or omissions of such subcontractors or third parties.

7.2 Indemnity. Licensor agrees to defend and/or settle any and all claims brought by a third party against Licensee alleging that the Licensed Programs infringe any U.S. patent or copyright; provided that Licensee (1) promptly notifies Licensor in writing of any such claim; (2) allows Licensor to have sole control of the defense and all related settlement negotiations; and (3) provides Licensor with the information, authority and assistance necessary to perform Licensor's obligations under this Section. In the event a Licensed Program is held or reasonably believed to infringe any U.S. patent or copyright, Licensor may, at its sole option either: (i) obtain for Licensee a license to continue using the Licensed Program, (ii) replace or modify the Licensed Program so that it becomes non-infringing while retaining substantially the same functionality; or (iii) refund to Licensee the unamortized license fees paid in respect of the infringing Licensed Program, based on a five (5) year useful life of the Licensed Program. Licensor shall have no liability for any such infringement arising from (i) use of other than the then-current version of the applicable Licensed Program; (ii) use of such Licensed Program other than as provided for in this Agreement or its Documentation; (iii) modification of the Licensed Program by anyone other than Licensor; or (iv) the combination or use of the Licensed program



with other products, if such infringement would not have occurred but for the combination. This Section 7.2 states Licensor's sole obligation and liability and Licensee's sole remedy with respect to intellectual property infringement arising from this Agreement.

7.3. Audit. During the term of this Agreement and for three (3) years thereafter, Licensee shall keep accurate books and records pertaining to its use of the Licensed Programs. Licensor shall be permitted reasonable access to such books and records to ensure Licensee's compliance with the terms of this Agreement for verification of any fees due to Licensor hereunder. Licensor agrees to provide reasonable notice to Licensee prior to commencing such audit, and to conduct the audit during normal business hours and with as minimal disruption to Licensee as is practical. Licensor shall not audit more than once per year, unless Licensor has reason to believe Licensee is in breach of this Agreement.

7.4. Entire Agreement. This Agreement shall be binding upon Licensor and its successors and assigns, and Licensee, its successors and assigns, as the case may be. This Agreement including the attached Schedules represents the entire Agreement between the parties, and expressly supercedes and cancels any prior oral or written agreements on the subjects herein. Each party acknowledges that it is not entering into this Agreement on the basis of any representations not expressly contained herein. Other than as specified herein, this Agreement may only be supplemented or modified except in writing executed by the parties. No additional or conflicting term in any purchase order, or other document shall have any effect.

7.5. Governing Law, Venue. This Agreement shall be governed in accordance with the laws of the State of California, without regard to its conflicts of law rules. The exclusive forum for any disputes, suits, actions or after legal proceeding arising out of or relating to this Agreement shall be an appropriate state or federal court situated in Riverside County in the State of California and each party hereby irrevocably submits to the exclusive jurisdiction and venue of any such court in any such dispute, suit, action or other legal proceeding.

7.6. Notice. All notices delivered under this Agreement shall be in writing and deemed given (i) upon receipt when delivered personally or upon confirmation of receipt following delivery of (A) nationally recognized overnight courier service, or (B) registered or certified mail, return receipt requested, postage prepaid, or (ii) on the date of transmission if sent by facsimile or other wire transmission with confirmation and followed up by certified or registered mail, in each case addressed to the party's address set forth in the introductory paragraph of this Agreement, or at such other address, of which one party is notified of by the other in writing.

7.7. Severability. If any provision of this Agreement or portion thereof is found to be invalid or unenforceable under applicable law, it shall be omitted from this Agreement without invalidation the remainder of such provision or the remaining provisions of this Agreement.

7.8. Headings. The various headings in this Agreement and the attached schedules are for convenience only. They shall not affect the meaning or interpretation of this Agreement or any paragraph or provision hereof.

7.9. Counterparts/Facsimile Execution. This Agreement may be executed in two (2) or more counterparts, each of which when so executed and delivered, including delivery of an executed counterpart by means of facsimile transmission or email delivery of an electronically



scanned counterpart, shall be deemed an original, and all of which, together, shall constitute one and the same instrument.

7.10 Force Majeure. Neither party will be liable for any failure or delay in its performance under this Agreement due to any cause beyond its reasonable control, including acts of war, terrorism, acts of God, earthquake, flood, embargo, riot, sabotage, governmental act or failure of the Internet not resulting from the actions or omissions of the party and such failure or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the party's use of alternate sources, work-around plans or other means (collectively, "Force Majeure Conditions").

7.12 Survival. Sections 1, 3, 4(g), 5.3, 6(b), and this Section 7 shall survive any termination of this Agreement.

7.13 Relationship. The parties intend to create an independent contractor relationship and nothing contained in this Agreement will be construed to make either Licensor or Licensee partners, joint venturers, franchisor, franchisee, principals, agents or employees of the other. No officer, director, employee, agent, affiliate or contractor employed by Licensor to perform work on Licensee's behalf under this Agreement will be deemed to be an employee, agent or contractor of Licensee. Neither party will have any right, power or authority, express or implied, to bind, or make contracts, representations or guarantees on behalf of the other.

7.14 Export Laws. Licensee agrees to comply with all laws and regulations of the United States and other countries and jurisdictions ("Export Laws") to assure that the Licensed Programs are not exported, directly or indirectly, in violation of Export Laws, or used for any purpose prohibited by Export Laws. Licensee's use of third party software, if any, supplied by Licensor with the Licensed Programs is subject to the terms of this provision.

7.15 U.S. Government Restricted Rights. If the Licensed Programs are acquired for or on behalf of the United States of America, its agencies and/or instrumentalities ("U.S. Government"), it is provided with RESTRICTED RIGHTS. The Licensed Programs and accompanying documentation are "commercial computer software" and "commercial computer software documentation," respectively, pursuant to 48 C.F.R. 12.212 and 227.7202, and "restricted computer software" pursuant to 48 C.F.R. 52.227-19(a), as applicable. Use, modification, reproduction, release, performance, display, or disclosure of the Licensed Programs and accompanying documentation by the U.S. Government are subject to restrictions as set forth in this Agreement and pursuant to 48 C.F.R. 12.212, 52.227-14 (Alternate III), 52.227-19, 227.7202, and 1852.227-86, as applicable.

7.16 Non-solicitation. During the term of this Agreement and for eighteen (18) months after its expiration or termination, neither party will, either directly or indirectly, solicit for employment by itself (or any of its Affiliates) any employee of the other party (or any of its Affiliates) who was involved in the performance of the party's obligations under the Contract Documents, unless the hiring party obtains the written consent of the other party. In the event that either party hires an employee of the other party (or any of its Affiliates), the hiring party shall pay the other party an amount equal to thirty percent (30%) of such employee's first year's salary.



7.17 Representation of Authority. Each party represents and warrants that: i) the signatory shown below has the authority to bind the party on whose behalf he/she is signing to the terms of this Agreement; ii) the execution and delivery of this Agreement and performance of such party's obligations hereunder have been duly authorized; and iii) this Agreement is a valid and legal agreement binding on such parties and enforceable in accordance with its terms.



IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have each caused this Agreement to be executed as of the date first written above.

EcoSys Management LLC

San Bernardino Associated Governments

By: _____

By: _____

Printed: _____

Printed: _____

Title: _____

Title: _____

Date: _____

Date: _____



Schedule A

ECOSYS SOFTWARE LICENSE AGREEMENT

Pricing and Deliverable Schedule for EcoSys Financial Manager

Software License Agreement Date: >>

LICENSEE CONTACT INFORMATION	
Company Name:	>>
Address:	>>
City/State/Zip:	>>
Licensee Contact:	>>
Licensee Phone:	>>
Licensee Fax:	>>
Licensee E-mail:	>>

INVOICE TO:	SHIP TO:
Company Name:	Company Name:
Address:	Address:
City/State/Zip:	City/State/Zip:
Contact:	Contact:
Contact Phone:	Contact Phone:
Contact E-mail:	Contact E-mail:

EcoSys Sales Representative: >>

This Schedule is attached to and made a part of the Master Software License and Services Agreement ("Agreement") between Licensor and Licensee. This Schedule is made effective as of the signature date below by and between EcoSys Management LLC, with its corporate offices located at 800 Westchester Avenue, Rye Brook, NY 10573 USA and the Licensee identified above (hereinafter "Licensee").

Licensed Software	License Type	Per User License Fee	Qty	Fees
EcoSys Financial Manager <input checked="" type="checkbox"/> Version 4	Level 1 - Full License	\$4,000.00	10	\$ 40,000.00
Total License Fee				\$40,000.00

Support Term Commitment

**THREE YEAR COMMITMENT**

Initial here: _____

The initial three year Support fees shall be the indicated percentage corresponding to the Support Level selected below..
Licensee shall pay all fees due to EcoSys within thirty (30) days of Licensee's receipt of EcoSys's invoice. Licensee may not elect to purchase support for fewer than the number of licenses acquired. The Support selected shall become effective as of acceptance date of software and expire 3 years from that date.

EcoSys Support Services		Fees
<input checked="" type="checkbox"/> EcoSys Support The terms of Support are identified in Schedule B: EcoSys Software Maintenance and Support Services	@ 20 % of License Fees per year	Initial here: _____ \$24,000.00
* With EcoSys Support, up to three (3) of Licensee's Users will have access to EcoSys support representatives with expert knowledge of Licensee's account to respond to Licensee's issues during business hours.		
Total Support Fee for 1st 3 years		\$24,000.00
Grand Total License and Support Fees		\$72,000.00

IN WITNESS WHEREOF, the parties hereto have caused this Schedule to be executed by their duly authorised representatives as of the agreement date first above written.

ECOSYS MANAGEMENT LLC**LICENSEE**

BY: _____

BY: _____

NAME: _____

NAME: _____

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____



Schedule B

MAINTENANCE SERVICES

Annual Maintenance Terms & Conditions. In addition to the terms set forth in the body of the Master Software License and Services Agreement, the following terms shall apply with respect to Maintenance Services:

1. Definitions:

Mandatory Updates means any update, bug fix, error corrections, or modification to the Licensed Programs that is generally made available to customers of Licensor in the ordinary course of its business free of charge and is deemed "mandatory" by Licensor to ensure the efficient operation of the Licensed Programs, in its sole discretion.

Recommended Updates means any upgrade, bug fix, error corrections, or modification to the Licensed Programs that is generally made available to customers of Licensor in the ordinary course of its business free of charge that is not a Mandatory Update.

Upgrades means any upgrades or modifications to the Licensed Programs which include feature enhancements or new functionality, which may or may not include any Mandatory Updates or Recommended Updates and that is generally made available to customers of Licensor in the ordinary course of its business for a fee.

Updates means all Mandatory Updates and Recommended Updates, collectively.

Business Hours - 9:00 a.m. to 6:00 p.m. EST, Monday through Friday, excluding national holidays observed by Licensee.

Customer Account Manager (CAM) – the Customer Account Manager is assigned upon purchase of the software and is the main point of coordination for all support requests from Licensee. A CAM is normally the first point of contact in the event that a Licensee needs assistance with the Supported Software. The primary function of the CAM is to perform a first level Problem determination, severity level determination, Problem Resolution and then dispatch any additional resources required, working towards the Resolution of the Problem. In addition the CAM can be called during Business Hours to give a status update on any ongoing Problems and is responsible for pro-actively obtaining any status updates.

Development Engineers – Licensor's Software Development Engineers are a resource available to the CAM as a higher level support resource. Development Engineers are responsible for the development and maintenance of the Licensor server and are available to assist with Problem determination as well as assisting with any fixes required.

Incident - An Incident is defined as a single-defined Problem seeking Resolution.

Problem - A Problem is a failure of the Licensed Programs to conform with Licensor's published specifications for the Licensed Programs in any material respect.

Problem Report - Notification of a Problem that includes the following information: (1) a description of the Problem and the desired functionality the Licensee wishes to achieve,



(2) the step-by-step process to reproduce the Problem, and (3) any and all exact error messages associated with the Problem.

Resolution - A Resolution to a Problem may consist of any of the following:

- Solution or answer is provided
- A request for enhancement is submitted
- A fix or work-around is provided
- Documentation bug is submitted
- A fix is incorporated into a future release (for Severity Three and Four only)
- The Problem relates to a third-party software vendor who has been notified of the problem

An Incident is considered "open" when a Licensee provides a CAM with a Problem Report. An Incident is considered "closed" when a Resolution to the Problem is given to the Licensee. An Incident is also considered "closed" if and when it is determined that (a) the Problem Report relates to software that is not the Licensed Programs, (b) the problem identified is not a Problem as defined herein, or is not covered by the Maintenance Services or (c) the problem relates to a hardware issue that is not supported by Licensor.

2. Mandatory Updates - Licensee shall have ninety (90) days from the date of its receipt of a Mandatory Update released by Licensor pursuant to these Maintenance Services to install such Mandatory Update. Should Licensee fail to install such Mandatory Update within such ninety (90) day period, Licensor's obligation to provide Maintenance Services shall cease, without refund of any amounts paid, and Licensor shall have the right to terminate this Agreement solely with respect to Maintenance Services, pursuant to Section 5.2. Licensor shall have no obligation to provide Maintenance Services to Licensee during the period in which Licensee has failed to install any Mandatory Update.

3. Licensee Services - Licensor shall provide Licensee, so long as Licensee is in compliance with the terms of this Agreement, with the following services:

- a. **Phone/Email Support** – Licensee shall have the opportunity to call or e-mail Licensor to have questions answered about the operation of the Licensed Programs. Licensor will use commercially reasonable efforts to provide answers to Licensee's questions during reasonably established support department operating hours.
- b. **Updates and Upgrades** – Licensee shall be provided with any Updates (and Upgrades if Licensee has paid Licensor for Maintenance Services as set forth herein) that Licensor makes generally available to its other customers.
- c. **Additional services** – Licensee shall have the opportunity to contract with Licensor to obtain additional professional services, including installation, on site support, customization, project management, and training at Licensor's then prevailing rates. Such services are excluded from Maintenance Services.

Should Licensee alter the Licensed Program in any manner or fail to install any Mandatory Update, Licensor's obligation to provide the services described herein shall immediately cease



4. Support Process

Licensee will be assigned a Customer Account Manager (CAM). The CAM is the main point of coordination for all support requests and is the first point of contact in the event that a Licensee Representative needs assistance with the Licensed Programs. The primary function of the CAM is to perform a first level Problem determination, severity level determination, Problem Resolution and then dispatch any additional resources required, working towards the Resolution of the Problem. In addition the CAM can be called during Business Hours to give a status update on any ongoing Problems and is responsible for pro-actively obtaining any status updates.

Licensee shall establish and maintain the organization and processes to provide "First Line Support" for the Licensed Programs directly to users. First Line Support shall include but not be limited to (a) a direct response to Users with respect to inquiries concerning the functionality or operation of the Licensed Programs, (b) a direct response to Users with respect to problems with the Licensed Programs, (c) a diagnosis of problems or deficiencies of the Licensed Programs and (d) a resolution of problems or deficiencies of the Licensed Programs.

Licensor shall establish and maintain the organization and processes to provide "Second Line Support" for the Licensed Programs to Licensee. If after commercially reasonable efforts Licensee is unable to diagnose or resolve problems or deficiencies of the Licensed Programs, Licensee shall contact Licensor's CAM (or other Licensor Support Representative if CAM is not available) for Second Line Support and Licensor shall provide support for the Licensed Programs in accordance with the terms herein.

Second Line Support shall be provided to up to three (3) designated representatives of Licensee. Licensor shall provide Second Line Support directly only to these designated users. Second Line Support shall include but not be limited to (i) a diagnosis of problems or deficiencies of the Software and (ii) a resolution of problems or deficiencies of the Licensed Programs.

Please provide up to three (3) Licensee support representatives who will be authorized to contact Licensor's Customer Support for support requests.:

Name	Title	Direct Phone	Cell Phone	Email Address
1.				
2.				
3.				

5. Customer Support Procedures - in order for Customers to receive the highest level of responsiveness when contacting Customer Support, the following call in procedures are recommended:



- For telephone support, call the Ecosys Support Dispatch line at +1 212.742.0770. If your CAM is not immediately available, you will have the option to choose to speak with another Licensor's Support Representative or to leave a message. Standard support hours in the USA are Monday through Friday, 8:00AM through 6:00PM Eastern time, exclusive of Licensor's holidays.
- For email questions, send your message to support@ecosysmgmt.com. Your request will be logged and assigned to your CAM.

6. Support Severity Levels

Severity One - A Problem exists that renders the Licensed Programs inoperable. The Licensed Programs are experiencing a total system failure as a result of a Problem and there is no work-around or reasonable alternative method available or a function is not working as documented as a result of a Problem, and there no work-around or reasonable alternative method available, and the use of this function is immediately critical to the Licensee's business.

Severity Two - A function is not working as documented as a result of a Problem, however, there is a work-around or reasonable alternative method available; or a function is not working as documented, and there is no work-around or reasonable alternative method available, however the use of the function is not immediately critical to the business, but the function is necessary.

Severity Three - A function is not working as documented as a result of a Problem, however, the incident has a minor impact or has no impact to the Licensee's business, but is requested to be fixed.

Severity Four - Licensee has a non-critical question or comment about the Licensed Programs.

7. Resolution Goals and Notification Procedures

Our Service Level Resolution Goals are designed to help our technical support team drive cases to a timely Resolution. Licensor exercises commercially reasonable efforts to meet the following response times but does not guarantee that the following response and resolution times will always be met.

Severity Level	Initial Response	Resolution Goal (if programming is not needed)	Resolution Goal (if programming is needed)
One	1 hour	24 hours	2 business days
Two	2 hour	36 hours	3 business days
Three	8 hours	48 hours	20 business days
Four	24 hours	72 hours	Future Release

(All of the response times are measured from the receipt of the Service Call.)



Severity Level One and Two Problems

Availability

A CAM is always available to be the first point of contact for Severity One and Two Problems. If within four (4) hours of the Service Call being received by or escalated to a CAM, the Problem has not been Resolved, the CAM shall bring in a Development Engineer to assist with the Problem Resolution.

Notification

Promptly following the receipt of a Service Call for a Severity One or Two Problem, the following people shall be notified:

Licensors Technical Support Manager
Licensor Regional Sales Manager responsible for the Licensee

Severity Level Three and Four Problems

Availability

CAMs are available during Business Hours to be the first point of contact for Severity Three and Four Problems.

Timeframe for Resolution

Service Calls shall be responded to in "first in, first out" order.

8. Enhancement Requests

In addition to those Problems designated as Severity One through Severity Four, Licensee may designate Incidents as Enhancement Requests. Enhancement Requests are requests to enhance or modify features of the Supported Software including features that Licensee would like Licensor to incorporate into future versions of the Licensed Programs.

Enhancement Requests are to be submitted via e-mail to the CAM assigned to Licensee. Upon receipt of an Enhancement Request, the CAM will classify the request and submit it to the appropriate Licensor personnel for response. Status on Enhancement Requests that have been submitted are available through the CAM. Licensor is not obligated to implement Enhancement Requests.



MASTER PROFESSIONAL SERVICES AGREEMENT

This Master Professional Services Agreement ("Agreement") dated as of the 30th of April, 2010, (the "Effective Date") by and between San Bernardino Associated Governments ("Client") 1170 W. 3rd Street, 2nd Floor San Bernardino, California 92410-1715 and EcoSys Management LLC ("EcoSys"), a New York limited liability company having its principal place of business at 800 Westchester Avenue, Suite S710, Rye Brook, New York 10573.

1. Purpose.

This Agreement provides the terms and conditions on which EcoSys will provide consulting, software development and other professional services to Client and its Affiliates for one or more projects (collectively, "Services").

2. Definitions.

Capitalized terms used in the Contract Documents shall have the meanings given below or in the context in which the term is used, as the case may be.

"Affiliate" means a fifty-one percent (51%) or more owned subsidiary of a party.

"Contract Documents" mean this Agreement and all Work Orders issued under this Agreement, as each may be amended from time to time.

"Key Deliverables" mean any tangible materials to be developed by EcoSys and delivered to Client that are designated in a Work Order as being subject to a formal acceptance process. Key Deliverables may be either Written Deliverables or Software Deliverables.

"Project Plan" means a document that sets forth at a detailed level the responsibilities and tasks that the parties each have under a particular Work Order. A Project Plan may be amended from time to time in writing, as mutually agreed-to by both parties. Each amended Project Plan, when approved by both parties in writing, will supersede all prior Project Plans with respect to the applicable Work Order.

"Services" mean the consulting, software development and other professional services provided by EcoSys pursuant to a Work Order.

"Software Deliverables" mean Key Deliverables that are operational software (either a completed system or any module, subsystem or release) designated as Software Deliverables and independently capable of undergoing acceptance testing.

"Specifications" mean a mutually agreed upon document describing with particularity the functions to be performed by a Software Deliverable and designated in a Work Order as the specifications upon which development of the Software Deliverable will be based.

"Work Order" means a document substantially in the form attached as Exhibit A and signed by an authorized representative of both parties under which EcoSys agrees to perform Services for Client or one or more of its Affiliates.

"Written Deliverables" are documents, such as reports, system designs or documentation.

3. Scope of Work.

3.1 Authorization to Perform Services. Each separate project or EcoSys work assignment will be authorized by the issuance of a Work Order. An Affiliate of Client may order Services from EcoSys under a Work Order. If an Affiliate of Client is the party to a Work Order,



then for the purposes of that Work Order, the term "Client" as used in this Agreement will be interpreted as a reference to the Affiliate, rather than to Client itself.

3.2 Work Order Managers. Each Work Order will identify the Work Order Manager for each party who is authorized to give or obtain all information, decisions and approvals of such party relating to the Work Order.

3.3 Consideration of Work Order. Each party acknowledges that its request for or preparation of a Work Order does not guarantee that the Work Order will be agreed upon and entered into by the parties. Each party agrees to consider in good faith any Work Order requested or proposed by the other party.

4. Compensation.

4.1 Professional Services Fees. The method of payment to EcoSys for performing Services under a Work Order will be as stated in the Work Order. If the indicated method of payment is "time and materials," or if no method of payment is stated in the Work Order, payment for Services will be on a time and materials basis as provided in Section 4.1(a) and in Section 4.2.

(a) Time and Materials Basis. Charges for all Services performed on a time and materials basis will be invoiced and payable monthly based on actual labor hours expended at the rates set forth in the applicable Work Order (or, if no rates are set forth in the applicable Work Order, at the rates set forth in Exhibit B), plus Reimbursable Expenses. The rates set forth in a Work Order or in Exhibit B are effective through the end of the calendar year in which the Work Order is executed, unless the applicable Work Order provides otherwise, and may be changed each year thereafter on at least thirty (30) days notice to Client.

4.2 Invoices. EcoSys will submit invoices to the individual at the Client address designated in the Work Order. Unless the Work Order provides otherwise, invoices for professional services fees and Reimbursable Expenses will be submitted to Client monthly, in the month following the performance of the Services, and invoices for any other amounts will be submitted to Client as the amounts come due. Each invoice will identify the Work Order to which it relates. For any professional services being invoiced on a time and materials or target-price basis, the invoice will also state the total number of hours worked by billable labor category.

4.3 Reimbursable Expenses. "Reimbursable Expenses" mean incidental expenses reasonably incurred by EcoSys in performing its obligations under the Contract Documents, including without limitation, courier, document duplication, postage, long-distance telephone charges, travel and living expenses, and charges for any non-routine supplies and equipment called for in a Work Order or approved by Client. Reimbursable Expenses also mean EcoSys' computer resources reasonably required and used in the performance of the Contract Documents at EcoSys' standard commercial rates, where they exist, and at a rate to be negotiated by the parties if standard rates do not exist. Occupancy, utilities, cost of non-special supplies and the like are not Reimbursable Expenses.

4.4 Payment Terms. All fees and expenses are to be paid to EcoSys in United States Dollars, by wire transfer of funds to an account designated by EcoSys or by check sent to EcoSys at Dept AT 952916, Atlanta, GA 31192-2916. EcoSys' invoices are due and payable in full within thirty (30) days from the date Client receives the applicable invoice. If there are any good



faith disputes related to an invoice, Client will, within thirty (30) days from the date of receipt of the invoice, pay the undisputed portion of the invoice and notify EcoSys in writing of Client's basis for withholding payment of the disputed amount. Disputes with respect to invoiced amounts will be deemed waived if not raised in writing within such thirty (30) day period. Upon receipt of Client's dispute notice, EcoSys and Client will work together in good faith to resolve such dispute in a prompt and mutually acceptable manner. If the dispute is not resolved within thirty (30) days after receipt of Client's dispute notice, the parties will resolve the issue pursuant to the provisions of Section 16.15. Client will pay any disputed amounts within five (5) days after all questions have been resolved.

4.5 Taxes. Client agrees to pay directly or reimburse EcoSys for any taxes arising out of the Contract Documents or EcoSys' performance under the Contract Documents, excluding taxes on EcoSys' net income.

5. Client Responsibilities.

5.1 Client Personnel, Facilities and Resources. Client will provide EcoSys with timely access to appropriate Client personnel and will arrange for EcoSys personnel to have suitable and safe access to Client's facilities and systems. Client will also provide suitable office space and associated resources for EcoSys personnel working on-site, including all necessary computing and office support resources, and will undertake any other responsibilities described in the applicable Work Order.

5.2 Approvals and Information. Client will respond promptly, and in any case within five (5) business days, to any EcoSys request to provide direction, information, approvals, authorizations or decisions that are reasonably necessary for EcoSys to perform the Services in accordance with the requirements of the Work Order or Project Plan.

6. Change Orders.

6.1 Changes to Work Orders. Either party may propose changes to the scope, nature or time schedule of the Services being performed under a Work Order. Requests for changes will be submitted to the other party in writing for consideration of feasibility and likely effect on the cost and schedule for performance of Services. The parties will mutually agree to any proposed changes, including resulting equitable adjustments to costs and schedules for the performance of Services. Proposed changes will be effected through written amendments to the affected Work Order approved by Clients Board of Directors and, signed by the Work Order Managers of both parties (referred to as "Change Orders").

6.3 Change Orders for Certain Schedule Delays. EcoSys will be entitled to an equitable adjustment in the schedule for performance and the compensation otherwise payable to it under a Work Order if EcoSys is prevented from or delayed in performing the Services, to the extent the delay is caused by factors beyond the reasonable control of EcoSys, including without limitation Client's failure to perform its responsibilities in a timely manner. In such event, the parties will mutually agree upon a Change Order documenting the adjustment in the schedule for performance and the compensation payable to EcoSys.

6.4 Effect on Work Order Prices. Amounts payable pursuant to Change Orders will be in addition limits on time and materials charges or Reimbursable Expenses. If a Change Order will have the effect of delaying the expected completion date of any fixed-price payment



milestones under a Work Order, the amounts payable under the Change Order will include a reasonable carrying charge reflecting EcoSys' cost of funds for the rescheduled milestone(s).

7. Exclusivity.

It is expressly understood and agreed that this Agreement does not grant to EcoSys any exclusive rights to do business with Client and that Client may contract with other suppliers for the procurement of comparable services. Client makes no guarantee or commitment for any minimum or maximum amount of Services to be purchased under this Agreement. Nothing in this Agreement will prevent EcoSys from marketing, developing, using and performing services or products similar to or competitive with the services and products furnished under any of the Contract Documents.

8. Proprietary Rights.

8.1 Preexisting EcoSys and Third-Party Materials. Any preexisting EcoSys or third-party materials incorporated in a Key Deliverable or necessary to use a Key Deliverable will be licensed to Client under a separate written license agreement between EcoSys and Client or under a third-party license agreement. Client acknowledges that a separate license fee may be charged by EcoSys or the third-party licensor for any such licensed materials.

8.2 Developed Materials. EcoSys shall own all right, title and interest in and to all work products developed by it under the Contract Documents. Subject to payment in full by Client of all amounts owed to EcoSys under the applicable Work Order, EcoSys hereby grants to Client an irrevocable, nonexclusive right and license to use, execute, reproduce and modify such materials for Client's own internal use.

8.3 Reservation of Rights. Neither party will be prevented from using ideas, concepts, expressions, know-how, skills and experience possessed by it prior to, or developed or learned by it in the course of, performance of its obligations under the Contract Documents.

9. Nondisclosure.

9.1 "Confidential Information." "Confidential Information" means information belonging to or in the possession or control of a party which is of a confidential, proprietary or trade secret nature that is furnished or disclosed to the other party under the Contract Documents, including the Contract Documents: (i) in tangible form and marked or designated in writing in a manner to indicate its confidential, proprietary or trade secret nature, or (ii) in intangible form and subsequently identified as confidential, proprietary or trade secret in a writing provided to the receiving party within thirty (30) business days after disclosure.

9.2 Exclusions. "Confidential Information" shall be deemed to exclude any particular information that, as evidenced by written documentation: (i) is already known to the receiving party without restrictions at the time of its disclosure by the disclosing party; (ii) after its disclosure by the disclosing party, is made known to the receiving party without restrictions by a third party having the right to do so; (iii) is or becomes publicly known without violation of the Contract Documents; or (iv) is independently developed by the receiving party without reference to the disclosing party's Confidential Information.

9.3 Standard of Care. Confidential Information will remain the property of the disclosing party, and the receiving party will not be deemed by virtue of the Contract Documents or any access to the disclosing party's Confidential Information to have acquired any right or



interest in or to any such Confidential Information. The receiving party agrees: (i) to hold the disclosing party's Confidential Information in strict confidence; (ii) to limit disclosure of the disclosing party's Confidential Information to personnel furnished by the receiving party to perform Services under a Work Order or otherwise having a need to know the information for the purposes of the Contract Documents; (iii) not to disclose any such Confidential Information to any third party; (iv) to use the disclosing party's Confidential Information solely and exclusively in accordance with the terms of the Contract Documents in order to carry out its obligations and exercise its rights under the Contract Documents; (v) to afford the disclosing party's Confidential Information at least the same level of protection against unauthorized disclosure or use as the receiving party normally uses to protect its own information of a similar character, but in no event less than reasonable care; and (vi) to notify the disclosing party promptly of any unauthorized use or disclosure of the disclosing party's Confidential Information and cooperate with and assist the disclosing party in every reasonable way to stop or minimize such unauthorized use or disclosure.

9.4 Compelled Disclosure. If the receiving party receives a subpoena or other validly issued administrative or judicial notice requesting or California Public Record Act request the disclosure of the disclosing party's Confidential Information, the receiving party will promptly notify the disclosing party and, if so requested, will provide reasonable cooperation to the disclosing party in resisting the disclosure. Subject to its obligations stated in the preceding sentence, the receiving party will be entitled to comply with any binding subpoena or other process to the extent required by law, but will in doing so make every effort to secure confidential treatment of any materials it is compelled to disclose.

9.5 Return or Destruction. Upon termination or expiration of this Agreement and all Work Orders issued under this Agreement, the receiving party, at the disclosing party's option, will return or destroy all Confidential Information of the disclosing party that the receiving party does not possess under a valid license; provided that EcoSys may retain one (1) copy of all of its work products (including working papers) produced under the Contract Documents for archival purposes.

9.6 Relief. Each party agrees that if a court of competent jurisdiction determines that the receiving party has breached, or attempted or threatened to breach, any of its confidentiality obligations to the disclosing party or the disclosing party's proprietary rights, the disclosing party will be entitled to obtain appropriate injunctive relief and other measures restraining further, attempted or threatened breaches of such obligations.

10. Acceptance.

10.1 Procedures, In General. Acceptance of Key Deliverables will be conducted in accordance with the following procedures.

10.2 Written Deliverables. EcoSys may submit interim drafts of a Written Deliverable to Client for review. Client agrees to review each interim draft within five (5) business days after receiving it from EcoSys. When EcoSys delivers a final Written Deliverable to Client, Client will have the opportunity to review the Written Deliverable for an acceptance period of ten (10) business days or such other period as is stated in the Work Order (the "Acceptance Period"). Client agrees to notify EcoSys in writing by the end of the Acceptance Period either stating that the Written Deliverable is accepted in the form delivered by EcoSys or describing in reasonable detail any deficiencies that must be corrected prior to acceptance of the Written



Deliverable. If EcoSys does not receive any such deficiency notice from Client by the end of the Acceptance Period, the Written Deliverable will be deemed to be accepted by Client. If Client delivers to EcoSys a timely notice of deficiencies and EcoSys agrees that the items specified in the notice are deficiencies, EcoSys will correct the described deficiencies within a reasonable period of time. Upon receipt of a corrected Written Deliverable from EcoSys, Client will have a reasonable additional period of time, not to exceed ten (10) business days, to review the corrected Written Deliverable to confirm that the identified and agreed upon deficiencies have been corrected. Client will not unreasonably withhold, delay or condition its approval of a final Written Deliverable.

10.3 Software Deliverables. At least sixty (60) days prior to the date on which EcoSys is scheduled to deliver any Software Deliverable to Client (or by such other date as the Work Order may specify), Client will deliver for EcoSys' review proposed testing procedures for the Software Deliverable, including without limitation the detailed test scripts, test cases, test data and expected results. At least thirty (30) days prior to the date on which EcoSys is scheduled to deliver the Software Deliverable to Client, the parties will agree upon the testing procedures for the Software Deliverable (the "Acceptance Tests"). The purpose of the Acceptance Tests will be to determine whether the Software Deliverable performs the functions described in its approved Specifications without any Defects. As used in this Agreement, "Defect" means a reproducible failure of a Software Deliverable to perform the functions described in its Specifications that prevents the Software Deliverable from operating or is of a severity that prevents the Software Deliverable from being used in a production environment. Acceptance of Software Deliverables will be conducted in accordance with the following procedures.

(a) The Acceptance Test Period for each Software Deliverable will be agreed between the parties and specified in the relevant Work Order; provided, however, that if the applicable Work Order does not specify an Acceptance Test Period for a Software Deliverable, the Acceptance Test Period will be thirty (30) days. The Acceptance Test Period for each Software Deliverable will begin when EcoSys has completed and delivered the Software Deliverable to Client's designated site, successfully completed EcoSys' installation test and notified Client that the Software Deliverable is "Ready for Acceptance." EcoSys will not be obligated to deliver a Software Deliverable to Client until Client demonstrates the readiness of the target technical platform and environment, as described and according to the schedule specified in the Work Order.

(b) Client will start to perform Acceptance Testing on each Software Deliverable promptly after receiving EcoSys' notice that the Software Deliverable is Ready for Acceptance. Client's Acceptance Testing will consist of executing test scripts from the Acceptance Tests during the Acceptance Test Period. If Client determines during the Acceptance Period that the Software Deliverable fails to perform the functions described in its Specifications without Defects, Client will promptly send EcoSys a written Defect Notice describing the alleged Defect(s) in sufficient detail to allow EcoSys to recreate it.

(c) EcoSys will correct any Defects in a Software Deliverable within a reasonable time after receiving Client's Defect Notice and provide the corrections to Client for re-testing. Client will re-test any corrected portions of a Software Deliverable promptly after receiving the corrections from EcoSys.



(d) If there are any remaining uncorrected Defects in the Software Deliverable at the end of the Acceptance Period, Client will provide EcoSys by the end of the Acceptance Period with written notice of the final list of outstanding Defects, describing them in sufficient detail to allow EcoSys to recreate them (the "Punch List"). EcoSys will correct any Defects identified on the Punch List within a reasonable period of time after receiving the Punch List. When all Defects on the Punch List have been corrected, EcoSys will provide the corrections to Client. Client will have fifteen (15) business days after receipt of the corrections, unless the parties agree to a different period in writing, to re-test the corrected Software Deliverable to confirm the correction of the Defects identified on the Punch List. If Client determines that any Defects identified on the Punch List have not been corrected, Client will provide EcoSys by the end of the re-testing period with a revised Punch List identifying any Defects on the original Punch List that have not been corrected. In such event, the procedures set forth in this Section 10.3(d) will be repeated for the revised Punch List.

(e) EcoSys and Client each agrees to work diligently to achieve acceptance of Software Deliverables at the earliest possible date, and Client will work diligently to put the Software Deliverable in live production operations. Acceptance of a Software Deliverable will take place on the Acceptance Date, which shall be the first date on which any of the following events occurs: (i) Client gives EcoSys written notice of acceptance; or, (ii) Client uses the Software Deliverable or any substantial portion of it in live production operations; or, (iii) the Acceptance Period expires without Client having given EcoSys the Punch List; or, (iv) the re-testing period expires without Client having given EcoSys a revised Punch List.

(f) If, after a reasonable number of repeated efforts, EcoSys is unable to correct any Defects preventing acceptance of a Software Deliverable, Client's sole remedy will be either (i) to accept the Software Deliverable and reach agreement with EcoSys on an equitable adjustment to the amounts payable to EcoSys under the applicable Work Order to reflect the reduced value, if any, of the Software Deliverable resulting from the uncorrected Defects, or (ii) if the failure to correct the Defects constitutes a material breach of contract, to terminate the applicable Work Order, return the Software Deliverable and all related materials, and recover its damages subject to the limitations set forth in Section 15.

11. Warranties and Remedies for Breach of Warranty.

11.1 Quality of Services. EcoSys warrants that the Services will be performed in a workmanlike manner consistent with industry standards reasonably applicable to the performance of such Services. If Client believes there has been a breach of this warranty and so notifies EcoSys in writing stating in reasonable detail the nature of the claimed breach within thirty (30) days after the Services are delivered to Client by EcoSys, then EcoSys will promptly investigate the matter. If EcoSys determines upon investigation that there has been a breach of this warranty, then EcoSys' sole obligation, and Client's exclusive remedy, will be for EcoSys to correct or re-perform any affected Services as necessary to cause them to comply with this warranty. There will be no additional charge to Client for the investigation and correction efforts performed by EcoSys, except as provided in Section 11.3. If EcoSys is unable to correct a breach of this warranty after repeated efforts, Client will be entitled to recover its actual damages subject to the limitations set forth in Section 15.

11.2 Software Deliverables Produced on a Fixed-Price Basis. EcoSys warrants that during any Warranty Period specified in the applicable Work Order, each Software Deliverable



developed on a fixed-price basis and delivered under that Work Order will continue to perform the functions described in its approved Specifications without Defects. If Client believes there has been a breach of this warranty and so notifies EcoSys in writing within the Warranty Period applicable to the Software Deliverable describing any Defects in sufficient detail to enable EcoSys to recreate them, then EcoSys will promptly investigate the matter. If EcoSys determines upon investigation that there has been a breach of this warranty, then EcoSys' sole obligation, and Client's exclusive remedy, will be for EcoSys to correct such Defect(s) within a reasonable period of time. There will be no additional charge to Client for the investigation and correction efforts performed by EcoSys, except as provided in Section 11.3. If EcoSys is unable to correct a breach of this warranty after repeated efforts, Client will be entitled to either: (i) retain the affected Software Deliverable and reach agreement with EcoSys on an equitable reduction in the amounts payable to EcoSys under the applicable Work Order to reflect the reduced value, if any, of the Software Deliverable resulting from the uncorrected Defect(s), or (ii) if the failure to correct the Defect(s) constitutes a material breach of contract, terminate the applicable Work Order, return the Software Deliverable and all related materials, and recover its damages subject to the limitations set forth in Section 14.

11.3 Place of Correction. EcoSys may perform the investigation and correction services pursuant to Sections 11.1 and 11.2 at EcoSys' offices to the extent possible. If Client requires EcoSys to travel to Client's place of business, Client will reimburse EcoSys for the reasonable travel time and Reimbursable Expenses of EcoSys' personnel. If EcoSys determines that a reported breach of warranty is attributable to a cause other than the EcoSys Services, then EcoSys will be entitled to payment for its investigation and correction efforts on a time and materials basis at the rates applicable to the Work Order.

11.4 Third-Party Products. To the extent EcoSys has the legal right to do so, EcoSys agrees to assign or pass through to Client or otherwise make available for the benefit of Client, any manufacturer's or supplier's warranty applicable to any third-party equipment or software furnished by EcoSys under a Work Order. EcoSys does not itself give or make any warranty of any kind with respect to third-party equipment or software.

11.5 Disclaimer. THE FOREGOING WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND ANY IMPLIED WARRANTIES ARISING FROM STATUTE, COURSE OF DEALING, COURSE OF PERFORMANCE OR USAGE OF TRADE. ECOSYS DOES NOT WARRANT THAT THE OPERATION OF HARDWARE, EQUIPMENT, KEY DELIVERABLES OR OF ANY OTHER SOFTWARE PROVIDED BY ECOSYS WILL BE UNINTERRUPTED OR ERROR-FREE. CLIENT ACKNOWLEDGES THAT IT ALONE IS RESPONSIBLE FOR THE RESULTS OF USING THE SOFTWARE, HARDWARE, EQUIPMENT, SERVICES AND KEY DELIVERABLES IN ITS BUSINESS OPERATIONS, INCLUDING WITHOUT LIMITATION THE COMPLETENESS, ACCURACY AND CONTENT OF SUCH RESULTS. CLIENT ACKNOWLEDGES FURTHER THAT IT ALONE IS RESPONSIBLE FOR INDEPENDENT VERIFICATION AND TESTING OF ANY SUCH RESULTS PRIOR TO USING THEM IN ITS BUSINESS.

12. Intellectual Property Infringement.



EcoSys agrees to defend and/or settle any and all claims brought by a third party against Client alleging that any of the Key Deliverables infringe any U.S. patent or copyright; provided that Client (1) promptly notifies EcoSys in writing of any such claim; (2) allows EcoSys to have sole control of the defense and all related settlement negotiations; and (3) provides EcoSys with the information, authority and assistance necessary to perform EcoSys' obligations under this Section. In the event that any of the Key Deliverables is held or reasonably believed to infringe any U.S. patent or copyright, EcoSys may, at its sole option and as Client's exclusive remedy either: (i) obtain for Client a license to continue using such Key Deliverables, (ii) replace or modify such Key Deliverables so that they become non-infringing while retaining substantially the same functionality; or (iii) refund to Client the unamortized license fees paid in respect of the infringing Key Deliverables, based on a five (5) year useful life of such Key Deliverables. EcoSys shall have no liability for any such infringement arising from (i) use of other than the then-current version of the applicable Key Deliverables; (ii) use of such Key Deliverables other than as provided for in this Agreement or its applicable Work Order; (iii) modification of such Key Deliverables by anyone other than EcoSys; or (iv) the combination or use of such Key Deliverables with other products, if such infringement would not have occurred but for the combination. The foregoing states EcoSys's sole obligation and liability and Client's sole remedy with respect to intellectual property infringement arising from this Agreement.

13. Indemnification.

13.1 Indemnification by EcoSys. If, as a result of EcoSys' negligence, Client or Client's employees suffer personal injury or property damage, EcoSys will reimburse Client for that portion of any claims Client actually pays for which EcoSys is legally liable.

13.2 Indemnification by Client. Each of the parties acknowledges and agrees that by entering into and performing its obligations under the Contract Documents, EcoSys will not assume and should not be exposed to the business and operational risks associated with Client's business.

14. Term and Termination.

14.1 Term. This Agreement will commence on the Effective Date, and will expire on the third (3rd) anniversary of that date unless sooner terminated as provided in this Section 14. If this Agreement expires its terms and conditions will continue to apply to any Work Orders then in effect until the Work Orders expire or are terminated.

14.2 Termination of this agreement and/or a Work Order for Convenience. Client may terminate this agreement or any outstanding Work Order, or any portion of a Work Order, for convenience upon at least sixty (60) calendar days' prior written notice to EcoSys. Upon receipt of such notice, EcoSys will inform Client of the extent to which performance is completed and EcoSys will take steps to wind down work in progress in an orderly fashion during the notice period. At the end of the notice period and upon payment by Client as outlined below, EcoSys will deliver to Client whatever completed Key Deliverables and Key Deliverables-in-progress that then exist.

14.3 Termination of a Work Order for Cause. If either party believes that the other party has failed in any material respect to perform its obligations under a Work Order, then that party may provide written notice directed to the breaching party's Work Order Manager for the applicable Work Order describing the alleged failure in reasonable detail. If the breaching party



does not, within thirty (30) calendar days after receiving such written notice, either (i) cure the material failure or (ii) if the breach is not one that can reasonably be cured within thirty (30) calendar days, develop a plan to cure the failure and diligently proceed according to the plan until the material failure has been cured, then the non-breaching party may terminate the affected Work Order, in whole or in part, for cause by written notice to the Work Order Manager of the breaching party. Prior to termination of a Work Order for cause, the party receiving the initial notice under the preceding sentence will be afforded an opportunity to meet with a senior management representative of the non-breaching party to explain its position.

14.4 Payment upon Termination. EcoSys will be paid for all Services performed through the effective date of termination, plus associated Reimbursable Expenses and termination costs as follows:

(a) for any Services being provided on a time and materials basis, EcoSys will be paid at the applicable rates for all hours of Services actually performed through the effective date of termination;

(b) EcoSys will be paid for Reimbursable Expenses incurred through the effective date of termination, plus costs and expenses reasonably incurred by EcoSys to terminate its performance of the Services earlier than anticipated, including without limitation costs to relocate any EcoSys personnel from Client's site, and costs to terminate any special contracts or leases entered into for the purpose of performing the terminated Services. EcoSys will use commercially reasonable efforts to minimize Client's termination costs under this Section 14.4(d); and,

(c) EcoSys will be paid any unpaid license fees (whether or not previously due and owing) for any materials furnished to Client under any license agreement prior to the effective date of termination.

15. Limitation of Liability.

IN NO EVENT WILL ECOSYS BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL, INDIRECT, OR SPECIAL DAMAGES, EVEN IF CLIENT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. Except as provided for in 13.1 ECOSYS'S SOLE LIABILITY TO CLIENT, IF ANY, FOR ANY AND ALL DAMAGES UNDER THIS AGREEMENT SHALL IN NO EVENT EXCEED THE FEES PAID BY CLIENT FOR THE KEY DELIVERABLES FROM WHICH SUCH LIABILITY AROSE. CLIENT MAY COMMENCE NO ACTION OR PROCEEDING UNDER THIS AGREEMENT, REGARDLESS OF FORM, MORE THAN ONE (1) YEAR AFTER THE DATE THE CAUSE OF ACTION ACCRUES.

16. Miscellaneous.

16.1 Assignment and Transfer; Subcontractors. The license is granted to Client hereunder based upon its particular needs, size, and intended usage. Client may not assign or transfer the license granted by this Agreement without the prior written consent of EcoSys in each instance. EcoSys shall have the right to provide any Services hereunder through subcontractors or other third parties provided that EcoSys remains responsible for the acts or omissions of such subcontractors or third parties.

16.2 Entire Agreement. This Agreement shall be binding upon EcoSys and its successors and assigns, and Client, its successors and assigns, as the case may be. The Contract



Documents constitute the entire agreement between the parties, and supersede all other prior or contemporaneous communications between the parties (whether written or oral) relating to the subject matter of the Contract Documents. The Contract Documents may be modified or amended solely in a writing signed by both parties. Each Work Order issued under this Agreement will incorporate the terms and conditions of this Agreement and will constitute a separate contract between the parties. A Work Order may amend the terms and conditions of this Agreement as they apply to that particular Work Order, but only if the Work Order expressly identifies the Section(s) that are being amended.

16.3 Publicity. EcoSys may publicize that Client has agreed to be a customer of Vendor for the Services and may include Client's name and other contact information in EcoSys' customer directory to be published on the EcoSys website or in any other media now or hereafter known or created throughout the world. ~~Client agrees to serve as a reference for EcoSys upon reasonable request by EcoSys.~~ Except as otherwise authorized under this Section 16.3, neither party shall make any public announcement or issue any press release concerning this Agreement and/or the transactions contemplated hereby, without the other party's prior written consent not to be unreasonably withheld or delayed.

16.4 Governing Law, Venue. This Agreement shall be governed in accordance with the laws of the State of California, without regard to its conflicts of law rules. The exclusive forum for any disputes, suits, actions or after legal proceeding arising out of or relating to this Agreement shall be an appropriate state or federal court situated in Riverside County in the State of California and each party hereby irrevocably submits to the exclusive jurisdiction and venue of any such court in any such dispute, suit, action or other legal proceeding.

16.5 Notice. All notices delivered under this Agreement shall be in writing and deemed given (i) upon receipt when delivered personally or upon confirmation of receipt following delivery of (A) nationally recognized overnight courier service, or (B) registered or certified mail, return receipt requested, postage prepaid, or (ii) on the date of transmission if sent by facsimile or other wire transmission with confirmation and followed up by certified or registered mail, in each case addressed to the party's address set forth in the introductory paragraph of this Agreement, or at such other address, of which one party is notified of by the other in writing.

16.6 Severability. The provisions of the Contract Documents shall be deemed severable, and the unenforceability of any one or more provisions shall not affect the enforceability of any other provisions. In addition, if any provision of the Contract Documents, for any reason, is declared to be unenforceable, the parties shall substitute an enforceable provision that, to the maximum extent possible in accordance with applicable law, preserves the original intentions and economic positions of the parties.

16.7 Headings. The various headings in this Agreement and the attached schedules are for convenience only. They shall not affect the meaning or interpretation of this Agreement or any paragraph or provision hereof.

16.8 Counterparts/Facsimile Execution. This Agreement may be executed in two (2) or more counterparts, each of which when so executed and delivered, including delivery of an executed counterpart by means of facsimile transmission or email delivery of an electronically scanned counterpart, shall be deemed an original, and all of which, together, shall constitute one and the same instrument.



16.9 Force Majeure. Neither party will be liable for any failure or delay in its performance under this Agreement due to any cause beyond its reasonable control, including acts of war, terrorist, acts of God, earthquake, flood, embargo, riot, sabotage, governmental act or failure of the Internet not resulting from the actions or omissions of the party and such failure or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the party's use of alternate sources, work-around plans or other means (collectively, "Force Majeure Conditions"), provided that the delayed party: (a) gives the other party prompt notice of such cause, and (b) uses commercially reasonable efforts to promptly correct such failure or delay in performance.

16.11 Survival. Sections 2, 4, 7, 8, 9, 11.5, 12, 13, 14.4, 15 and this Section 16 shall survive any termination of this Agreement.

16.12 Relationship. The parties intend to create an independent contractor relationship and nothing contained in this Agreement will be construed to make either EcoSys or Client partners, joint venturers, principals, franchisor, franchisee, agents or employees of the other. No officer, director, employee, agent, affiliate or contractor employed by EcoSys to perform work on Client's behalf under this Agreement will be deemed to be an employee, agent or contractor of Client. Neither party will have any right, power or authority, express or implied, to bind, or make contracts, representations or guarantees on behalf of the other.

16.13 Export Laws. Client agrees to comply with all laws and regulations of the United States and other countries and jurisdictions ("Export Laws") to assure that the Licensed Programs are not exported, directly or indirectly, in violation of Export Laws, or used for any purpose prohibited by Export Laws. Client's use of third party software, if any, supplied by EcoSys with the Licensed Programs is subject to the terms of this provision.

16.14 U.S. Government Restricted Rights. If the Licensed Programs are acquired for or on behalf of the United States of America, its agencies and/or instrumentalities ("U.S. Government"), it is provided with RESTRICTED RIGHTS. The Licensed Programs and accompanying documentation are "commercial computer software" and "commercial computer software documentation," respectively, pursuant to 48 C.F.R. 12.212 and 2216.7202, and "restricted computer software" pursuant to 48 C.F.R. 52.227-19(a), as applicable. Use, modification, reproduction, release, performance, display, or disclosure of the Licensed Programs and accompanying documentation by the U.S. Government are subject to restrictions as set forth in this Agreement and pursuant to 48 C.F.R. 12.212, 52.227-14 (Alternate III), 52.227-19, 2216.7202, and 1852.227-86, as applicable.

16.15 Informal Dispute Resolution. At the written request of either party, the parties will attempt to resolve any dispute arising under or relating to the Contract Documents through the informal means described in this Section 16.15. Each party will appoint a senior management representative who does not devote substantially all of his or her time to performance under the Contract Documents. The representatives will furnish to each other all non-privileged information with respect to the dispute that the parties believe to be appropriate and germane. The representatives will negotiate in an effort to resolve the dispute without the necessity of any formal proceeding. Formal proceedings for the resolution of the dispute may not be commenced until: (i) the designated representatives conclude that resolution through continued negotiation does not appear likely; or (ii) thirty (30) calendar days have passed since the initial request to negotiate the dispute was made; provided, however, that a party may file



earlier to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to other creditors, or to apply for interim or equitable relief.

16.16 Order Of Precedence. In the event of any conflict between or among the provisions contained in the Contract Documents, the following order of precedence will govern: (i) this Agreement, exclusive of its Exhibits; (ii) Exhibits to this Agreement; and (iii) Work Orders (except as to terms specifically identified in a particular Work Order as modifying or amending terms of this Agreement, which terms will control over the Agreement for that Work Order only).

16.17 No Waiver. No failure or delay by either party in exercising any right, power or remedy will operate as a waiver of such right, power or remedy, and no waiver will be effective unless it is in writing and signed by the waiving party. If either party waives any right, power or remedy, such waiver will not waive any successive or other right, power or remedy the party may have under the Contract Documents.

16.18 Non-solicitation. During the term of this Agreement and for eighteen (18) months after its expiration or termination, neither party will, either directly or indirectly, solicit for employment by itself (or any of its Affiliates) any employee of the other party (or any of its Affiliates) who was involved in the performance of the party's obligations under the Contract Documents, unless the hiring party obtains the written consent of the other party. In the event that either party hires an employee of the other party (or any of its Affiliates), the hiring party shall pay the other party an amount equal to thirty percent (30%) of such employee's first year's salary.

16.19 Representation of Authority. Each party represents and warrants that: i) the signatory shown below has the authority to bind the party on whose behalf he/she is signing to the terms of this Agreement; ii) the execution and delivery of this Agreement and performance of such party's obligations hereunder have been duly authorized; and iii) the Agreement is a valid and legal agreement binding on such parties and enforceable in accordance with its terms.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have each caused this Agreement to be executed as of the date first written above.

EcoSys Management LLC

San Bernardino Associated Governments

By: _____

By: _____

Printed: _____

Printed: _____

Title: _____

Title: _____

Date: _____

Date: _____



EXHIBIT A

Work Order Form

Work Order No. 1

This Work Order Number 1 is issued pursuant to the Master Professional Services Agreement dated as of _____ (the "Agreement") between San Bernardino Associated Governments ("Client") and EcoSys Management LLC ("EcoSys").

1. Effective Date of this Work Order.

This Work Order is effective as of [Effective Date]

2. Services to be Performed:

Based upon our initial analysis of Client's objectives, we recommend EcoSys FM to address Client's Capital Program Management requirements. This includes building and maintaining initial and revised versions of 5, 10, and 30 Year Plans. Funding source revenue forecasts can be maintained in FM and tracked against actuals. Projects can receive allocations from one or more funding sources, and cash balances can be maintained for each funding source, tracking changes in funds, allocations, and funds transfers. FM can be used to evaluate and manage bonding opportunities, taking into account debt service, inflation factors, recoveries, etc. FM can be used for day-to-day management of capital programs, providing management of and visibility into all aspects of project performance. Funds, budgets, changes, forecasts, commitments and actuals can be compared at the portfolio, project or more detailed level. Interfaces exist with SANBAG's Primavera tools, and this data feeds seamlessly to FM. FM provides dashboards with full reporting and analysis capabilities, and serves as an audit trail and historical record, tracking historical spend, savings, etc

Consulting Work Effort

Based on our initial discussions, we anticipate providing implementation consulting over a duration of 3 months. This will allow EcoSys, Parsons and Client resources to collaborate in validating the scope and requirements through an iterative prototyping approach. Our strategy is to transition ownership and capabilities for using and maintaining the system to the appropriate Parsons and Client personnel.

EcoSys' implementation methodology includes the following major activities:

- Scope review & requirements gathering
- Agreement of key reports, views, and business rules with stakeholders
- Software installation in test and production environments
- Requirements Analysis
- Design
 - Configure EcoSys data structures and application settings
 - Configure spreadsheet views, reports, and dashboards
 - Definition of high level user procedures
- Configuration of Interfaces
 - Primavera interfaces



- Data Dictionaries
- Financial Integration
- Initial data loading/setup
- Testing procedures, reports, spreadsheets, and import/exports
- Deployment
 - Work with IT to setup integration schedules
 - Tailor and deliver training to selected users
 - Production migration

The following documents will be delivered:

- Project schedule
- Installation summary
- EcoSys Software Configuration document
- End user step by step process documents (used in training and for daily on the job guidance)
- Tailored Training Materials.

Note: The Installation Manual and Online Help ship standard with the software.

Activity	Consulting Work Effort (Days)
➤ Project Management	6
➤ Scope & requirements <ul style="list-style-type: none"> • Definition of key reports, spreadsheets, views, and business rules for deployment 	10
➤ EcoSys FM installation in development environment and production environments	2
➤ Design <ul style="list-style-type: none"> • EcoSys data and system configuration, documentation • Configure reports and spreadsheets • Documentation of high level user procedures 	15
➤ Configure Interfaces with external systems <ul style="list-style-type: none"> • Primavera interfaces • Data Dictionaries • Financial Integration 	5
➤ Initial data loading/setup	2
➤ Test procedures, reports, and import/exports.	5
➤ Address issues	
➤ Deployment	15



<ul style="list-style-type: none"> • Tailoring and delivery of training • Work with IT to setup integration schedules • Production data migration 	
Total:	60

4. Compensation.

Consulting services are charged at \$200 per hour (based on a standard 8-hour day). This is a discount offered to Client from EcoSys' standard consulting rate of \$235 per hour. All work is performed on a time and materials basis. Travel expenses will be billed in accordance with SANBAG's travel policy for onsite work. All efforts will be made to provide California-based resources to support this initiative.

EcoSys will work with Client to determine the optimal mix of onsite and offsite work.

Implementation Services Costs

Item	Cost (USD)
60 days Implementation Services, \$200/hour	\$96,000
Implementation Services Total	\$96,000

Notes: Travel costs are additional and billed in accordance with Client's travel policy for onsite consultants.

5. Work Order Managers.

The Work Order Managers are:

Client	EcoSys
	Tom Boyle, Engagement Manager

6. Client will provide the following resources and has the following responsibilities in supporting EcoSys' performance of the Services:



IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have each caused this Work Order to be executed as of the date first written above.

EcoSys Management LLC

[Client]

By: _____

By: _____

Printed: _____

Printed: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT 2



**Software Quotation and Implementation Services Proposal
Prepared for**

San Bernardino Associated Governments

Prepared by:

**Christen Bergerud
EcoSys**

**Email: cbergerud@ecosys.net
Phone: (914) 304-5021**

November 17, 2009



Overview & Background

On behalf of San Bernardino Area Governments (SANBAG), Parsons has requested a proposal for services for the procurement and implementation of EcoSys Financial Manager.

EcoSys has developed specialized expertise in capital budgeting and program management for regional transportation agencies. Many of the organizations we've worked with have implemented enterprise ERP systems and enterprise project management systems, but they continued to manage their long range capital plans, funds transfers, project budgets, commitments, estimates, and reporting using Excel spreadsheets or homegrown tools. This has led to many instances of manual errors, challenges with version control and file organization, audit ability limitations, and significant time wasted performing manual processes and data manipulation. In addition, end users demand easy-to-use tools for effectively and efficiently managing project financials. These perspectives have greatly influenced the design and capabilities of EcoSys Financial Manager.

Founded by the original developers of Primavera's enterprise project management system (now known as P6), EcoSys has implemented enterprise solutions for over 175 of the largest global organizations in both the public and private sector, including the Los Angeles Department of Water and Power, Amtrak, US Army Corps of Engineers, and National Highway Transportation Safety Administration (NHTSA), among others.

EcoSys Financial Manager (FM) is a fully web based enterprise capital budgeting and program management system addressing the entire project cost lifecycle, from long range capital planning to execution of programs and projects.

Key benefits realized by organizations that have implemented EcoSys FM include:

- Elimination of spreadsheets, homegrown tools, formula errors, and manual processes for budgeting, forecasting and reporting
- Real time visibility into forecasts and spending performance with transactional drilldown
- Central audited repository of all cost information
- Financial forecasts linked to project schedules

The software is fully configurable; cost codes, attributes, interfaces, project types, standard forms, reports, etc are maintained by application administrators and end users. The implementation of Financial Manager does not require any custom software programming. This results in a rapid implementation and a low total cost of ownership. The short implementation cycle allows us to focus on assisting our customers to establish best practices.

References

Amtrak

EcoSys FM manages Amtrak Engineering's Five Year Plan, managing versions of the plan and the distribution of funds from Amtrak GCAP fund and from external funding sources. EcoSys builds the Five Year Plan from Primavera schedules and is integrated with Amtrak's general ledger to report on actual performance. EcoSys also provides reporting on Fiscal Year project budgets.

Contact: Steve Wilches, Sr. Officer Business Improvement, (215) 349-1612, wilches@amtrak.com.

National Highway Traffic Safety Administration (NHTSA)



EcoSys FM is utilized for project budgeting, funds management, and project cost and schedule reporting. NHTSA migrated to EcoSys Financial Manager from their current Excel and in-house legacy systems used for funding, budgeting, and forecasting. The NHTSA implementation of EcoSys Financial Manager includes integrations with Primavera P6, the DOT GL system and PRISM Contract Management. Contact: Jan Pugh, Project Manager, Management Accountability and Planning System. Office of Planning, Administrative and Financial Management DOT/NHTSA, (202) 493-0077, Jan.pugh@dot.gov.

Los Angeles Dept of Water and Power.

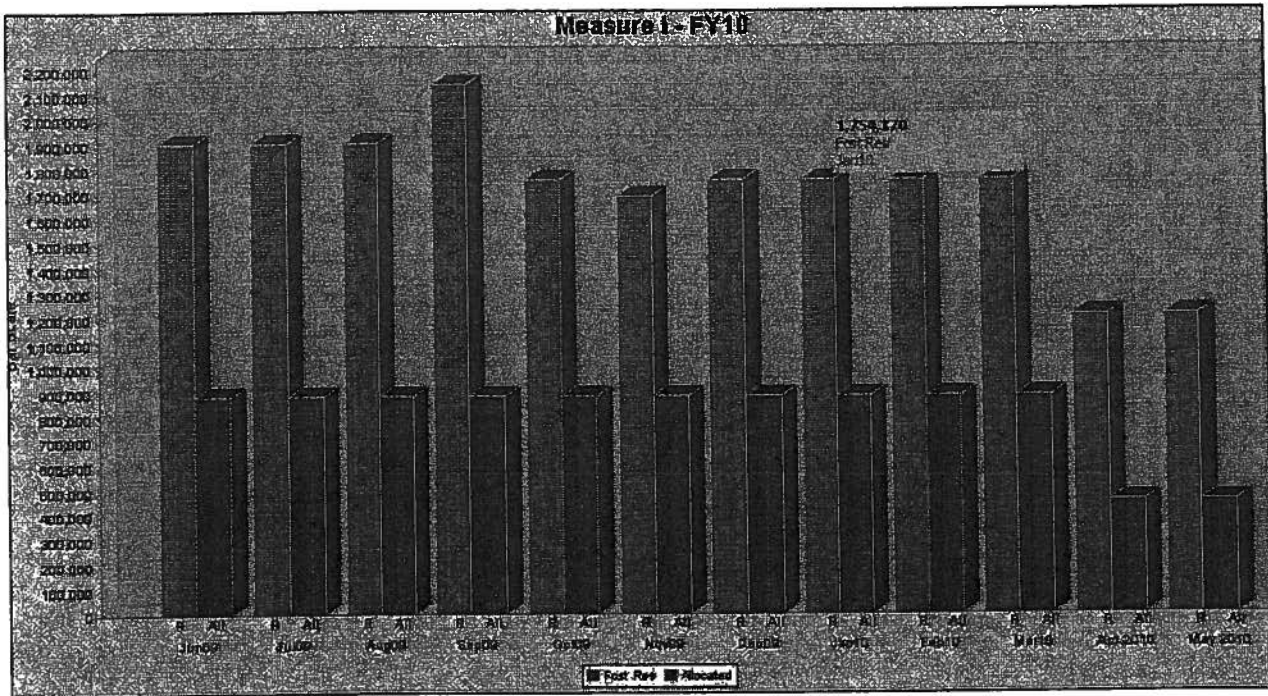
Project implementation is ongoing. Initial scope is as Capital Program Cost Management system, integrating Primavera forecasts, mainframe's budgets and actual expenditures for project financial reporting and Earned Value Management.

Contact: Mario Acevedo, Manager CIP, mario.acevedo@ladwp.com, Work: (213)-367-0932.

Scope of the Solution

Based upon our initial analysis of SANBAG's objectives, we recommend EcoSys FM to address SANBAG's Capital Program Management requirements. This includes building and maintaining initial and revised versions of 5, 10, and 30 Year Plans. Funding source revenue forecasts can be maintained in FM and tracked against actuals. Projects can receive allocations from one or more funding sources, and cash balances can be maintained for each funding source, tracking changes in funds, allocations, and funds transfers. FM can be used to evaluate and manage bonding opportunities, taking into account debt service, inflation factors, recoveries, etc. FM can be used for day-to-day management of capital programs, providing management of and visibility into all aspects of project performance. Funds, budgets, changes, forecasts, commitments and actuals can be compared at the portfolio, project or more detailed level. Interfaces exist with SANBAG's Primavera tools, and this data feeds seamlessly to FM. FM provides dashboards with full reporting and analysis capabilities, and serves as an audit trail and historical record, tracking historical spend, savings, etc. Below are a few screenshots of relevant functionality:

Funding Chart



Budgeted vs. Actual Revenue

Budgeted vs. Actual Revenue							Current	
							Rev	
Sheet	City	State	Funding Source	Jan 09 Est	Jan 09 Act	Jan 09 Var	Jul 09 Est	Jul 09 Act
1								
1			Funding	\$18,887,744	\$18,163,416	(\$724,328)	\$18,887,744	\$18,163,416
1			Local	\$10,216,488	\$9,665,979	(\$550,498)	\$10,216,488	\$9,665,979
1			Measure 1	\$1,901,920	\$1,684,093	(\$217,817)	\$1,901,920	\$1,684,093
1			Local Stimulus	\$3,922,718	\$3,765,809	(\$156,909)	\$3,922,718	\$3,765,809
1			LS1	\$375,166	\$360,159	(\$15,007)	\$375,166	\$360,159
1			LS2	\$389,093	\$373,529	(\$15,564)	\$389,093	\$373,529
1			LS3	\$1,054,168	\$1,011,999	(\$42,167)	\$1,054,168	\$1,011,999
1			Local Agency	\$121,688	\$116,820	(\$4,868)	\$121,688	\$116,820
1			LAR1	\$15,289	\$14,677	(\$612)	\$15,289	\$14,677
1			LAR2	\$34,444	\$33,066	(\$1,378)	\$34,444	\$33,066
1			LAR3	\$11,111	\$10,667	(\$444)	\$11,111	\$10,667
1			Bond A	\$0	\$0	\$0	\$0	\$0
1			State	\$2,040,279	\$2,038,263	(\$2,016)	\$2,040,279	\$2,038,263
1			STIP	\$643,224	\$643,224	\$0	\$643,224	\$643,224
1			SFR	\$298,242	\$298,242	\$0	\$298,242	\$298,242
1			ACEMP	\$32,121	\$32,975	\$854	\$32,121	\$32,975
1			Prop 1b	\$46,552	\$44,690	(\$1,862)	\$46,552	\$44,690
1			Federal	\$1,018,927	\$1,018,927	\$0	\$1,018,927	\$1,018,927
1			FTIP	\$18,666	\$18,666	\$0	\$18,666	\$18,666
1			TEA-21	\$115,443	\$115,443	\$0	\$115,443	\$115,443

EXHIBIT 2



Five Year Plan

Five Year Plan - Measure I

Project	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	5 Yr Spend
Project:	\$16,144,373	\$8,071,125	\$6,779,908	\$6,440,891	\$6,794,086	\$42,238,379
Interstate 215 Widening - San Bernardino	\$2,752,000	\$500,000	\$500,000	\$500,000	\$500,000	\$4,752,000
State Route 210 - Foothill Freeway - Upland, Rancho Cucamonga	\$890,015	\$890,015	\$890,015	\$890,015	\$890,015	\$4,450,075
Route 210 to Interstate 215 High Speed Connectors	\$3,000,000	\$1,000,000	\$0	\$0	\$0	\$4,000,000
Interstate 10 Carpool Lanes - Ontario, Montclair	\$850,333	\$850,333	\$850,333	\$850,333	\$850,333	\$3,251,667
Project 194782	\$650,000	\$650,000	\$650,000	\$650,000	\$650,000	\$3,260,000
State Route 71 - Chino Valley Freeway	\$648,333	\$648,333	\$648,333	\$648,333	\$648,333	\$3,241,667
Project 194691	\$648,333	\$648,333	\$648,333	\$648,333	\$648,333	\$3,241,667
Interstate 10 HOV Lanes	\$634,898	\$634,898	\$634,898	\$634,898	\$634,898	\$3,174,492
Interstate 10 Westbound Widening Project	\$1,901,980	\$371,901	\$500,000	\$0	\$0	\$2,773,881
Interstate 10 Truck - Climbing Lane - Redlands, Yucaipa	\$732,442	\$648,830	\$648,830	\$648,830	\$0	\$2,672,932
Project 194591	\$548,333	\$548,333	\$129,009	\$290,000	\$290,000	\$1,805,675
Fontana at Alder Avenue Construct Interchange	\$1,205,547	\$0	\$0	\$0	\$0	\$1,205,547
State Route 60 Widening and Carpool Lanes	\$218,318	\$218,318	\$218,318	\$218,318	\$218,318	\$1,091,591
Interstate 10 Widening - Redlands	\$201,666	\$201,666	\$201,666	\$201,666	\$201,670	\$1,008,334
Interstate 215 Improvements	\$138,848	\$138,848	\$138,848	\$138,848	\$138,850	\$694,242
01 Maintenance	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$375,000
Project 194394	\$70,151	\$70,151	\$70,151	\$70,151	\$70,154	\$350,758
04 Maintenance	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$325,000
03 Maintenance	\$64,833	\$64,833	\$64,833	\$64,833	\$64,836	\$324,167
02 Maintenance	\$48,333	\$48,333	\$48,333	\$48,333	\$48,335	\$241,667
Route 210 Muscovy Bridge Retrofit	\$0	\$0	\$0	\$0	\$0	\$0

Project Funding

Project Funding

Project	Total Budget	Measure I	Other Local	Federal Funds	State Funds
Interstate 215 Widening - San Bernardino	\$4,752,000	\$4,752,000	\$0	\$0	\$0
State Route 210 - Foothill Freeway - Upland, Rancho Cucamonga	\$4,450,075	\$4,005,070	\$0	\$0	\$0
Route 210 to Interstate 215 High Speed Connectors	\$4,000,000	\$4,000,000	\$0	\$0	\$0
Interstate 10 Carpool Lanes - Ontario, Montclair	\$3,251,667	\$2,604,334	\$0	\$650,333	\$0
Project 194782	\$3,250,000	\$1,300,000	\$0	\$0	\$1,950,000
State Route 71 - Chino Valley Freeway	\$3,241,667	\$2,580,917	\$0	\$660,750	\$0
Project 194691	\$3,241,667	\$648,333	\$0	\$2,593,334	\$0
Interstate 10 HOV Lanes	\$3,174,492	\$1,079,327	\$0	\$0	\$2,095,165
Interstate 10 Truck - Climbing Lane - Redlands, Yucaipa	\$2,672,932	\$2,672,932	\$0	\$0	\$0
Interstate 10 Westbound Widening Project	\$2,273,891	\$1,136,946	\$0	\$968,473	\$968,473
Project 194591	\$1,805,675	\$361,135	\$0	\$0	\$1,444,540
Fontana at Alder Avenue Construct Interchange	\$1,205,547	\$0	\$0	\$0	\$0
State Route 60 Widening and Carpool Lanes	\$1,091,591	\$218,318	\$0	\$545,796	\$327,477
Interstate 10 Widening - Redlands	\$1,008,334	\$756,250	\$0	\$0	\$252,084
Interstate 215 Improvements	\$694,242	\$694,242	\$0	\$0	\$0
01 Maintenance	\$375,000	\$375,000	\$0	\$0	\$0
Project 194394	\$350,758	\$70,152	\$0	\$0	\$280,606
04 Maintenance	\$325,000	\$325,000	\$0	\$0	\$0
03 Maintenance	\$324,167	\$324,167	\$0	\$0	\$0
02 Maintenance	\$241,667	\$241,667	\$0	\$0	\$0
Route 210 Muscovy Bridge Retrofit	\$0	\$0	\$0	\$0	\$0



Activities and Work Effort

Based on our initial discussions, we anticipate providing implementation consulting over a duration of 3 months. This will allow EcoSys and Parsons resources to collaborate in validating the scope and requirements through an iterative prototyping approach. Our strategy is to transition ownership and capabilities for using and maintaining the system to the appropriate Parsons and SANBAG personnel.

EcoSys' implementation methodology includes the following major activities:

- Scope review & requirements gathering
- Agreement of key reports, views, and business rules with stakeholders
- Software installation in test and production environments
- Requirements Analysis
- Design
 - Configure EcoSys data structures and application settings
 - Configure spreadsheet views, reports, and dashboards
 - Definition of high level user procedures
- Configuration of Interfaces
 - Primavera interfaces
 - Data Dictionaries
 - Financial Integration
- Initial data loading/setup
- Testing procedures, reports, spreadsheets, and import/exports
- Deployment
 - Work with IT to setup integration schedules
 - Tailor and deliver training to selected users
 - Production migration

The following documents will be delivered:

- Project schedule
- Installation summary
- EcoSys Software Configuration document
- End user step by step process documents (used in training and for daily on the job guidance)
- Tailored Training Materials.

Note: The Installation Manual and Online Help ship standard with the software.



Resources/Work Effort

The following are the effort estimates for the implementation:

Activity	Consulting Work Effort (Days)
➤ Project Management	6
➤ Scope & requirements <ul style="list-style-type: none"> • Definition of key reports, spreadsheets, views, and business rules for deployment 	10
➤ EcoSys FM installation in development environment and production environments	2
➤ Design <ul style="list-style-type: none"> • EcoSys data and system configuration, documentation • Configure reports and spreadsheets • Documentation of high level user procedures 	15
➤ Configure Interfaces with external systems <ul style="list-style-type: none"> • Primavera interfaces • Data Dictionaries • Financial Integration 	5
➤ Initial data loading/setup	2
➤ Test procedures, reports, and import/exports. ➤ Address issues	5
➤ Deployment <ul style="list-style-type: none"> • Tailoring and delivery of training • Work with IT to setup integration schedules • Production data migration 	15
Total:	60



Financial Manager Software Quote

Licensed Software	User License Type	Per User License Fee	Qty	Fees
EcoSys Financial Manager	Level 1 - Full License	\$4,000	10	\$ 40,000
Total License Fee				\$ 40,000

EcoSys Maintenance Services			Fees
EcoSys Maintenance Services – One Year	@ 20% of License Fees		\$8,000
The terms of Maintenance Services are identified in Schedule B, Maintenance Services of Master License Agreement			
Total Maintenance Services Fee			\$8,000
Grand Total License and Maintenance Services Fees			\$ 48,000

Notes: Licenses are perpetual (no expiration). Minimum purchase level is 10 Level 1 Full Licenses

Annual Maintenance is computed as 20% of total license costs and is renewed on the anniversary of the software purchase date. Maintenance contract includes free upgrades and enhancements, and functional and technical telephone/email support.

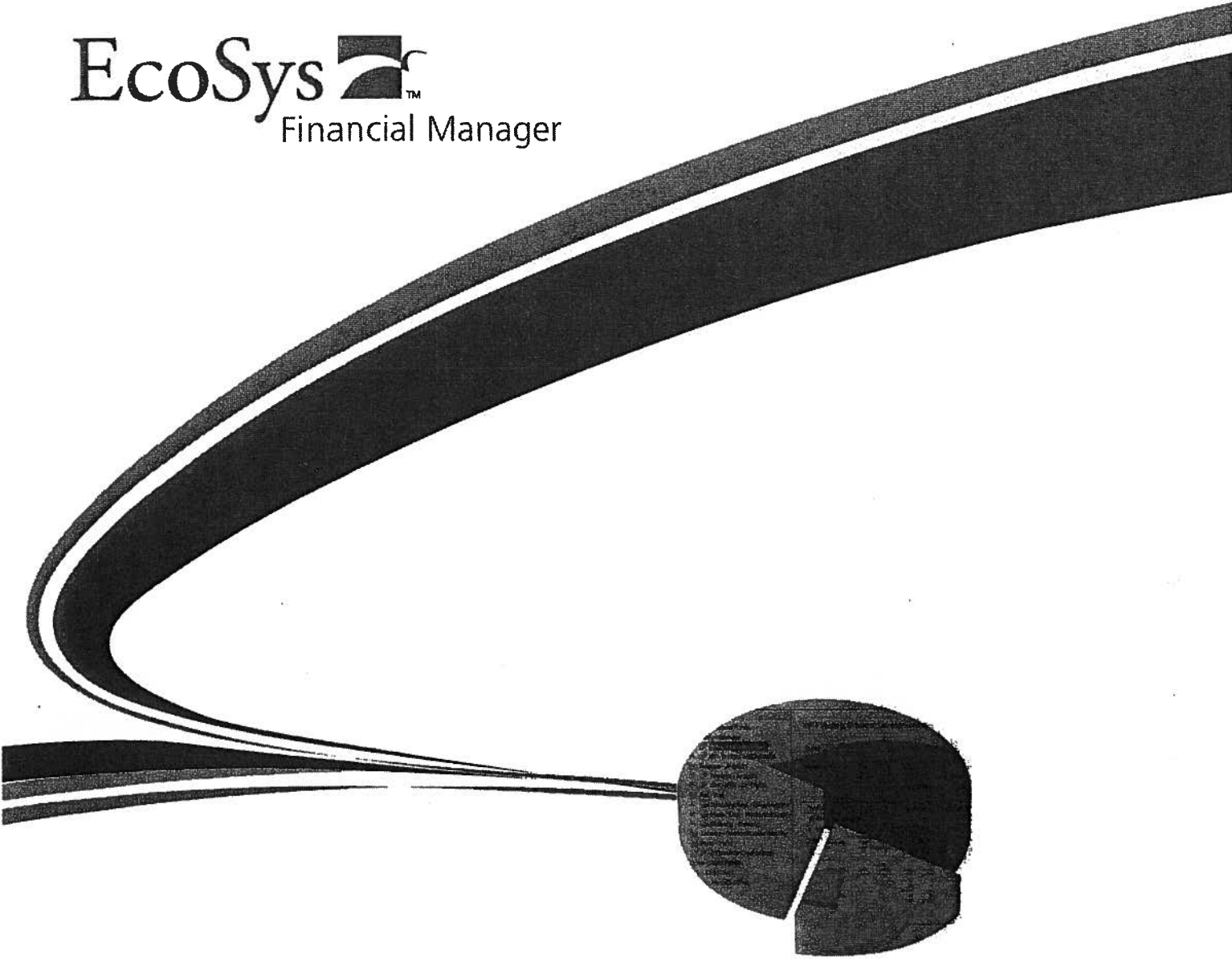
Professional Services Rate

Consulting services are charged at \$200 per hour (based on a standard 8-hour day). This is a discount offered to SANBAG from EcoSys' standard consulting rate of \$235 per hour. All work is performed on a time and materials basis. Travel expenses will be billed in accordance with SANBAG's travel policy for onsite work. All efforts will be made to provide California-based resources to support this initiative. EcoSys will work with SANBAG to determine the optimal mix of onsite and offsite work.

Cost Summary for Software and Services

Item	Cost
Total perpetual software licenses	\$40,000
Annual Maintenance at 20% of License. Includes upgrades, enhancements, and full support.	\$8,000
Software & Maintenance Total:	\$48,000
Implementation Services, 60 days at \$200/hr	\$96,000
Total Software and Implementation Cost:	\$144,000

EcoSys  Financial Manager



EcoSys

Financial Manager

The Project Financial Management Cycle

EcoSys Financial Manager gives you control over the project financial management cycle, allowing you to integrate organizational budgeting with funding of programs and projects into one clear perspective.

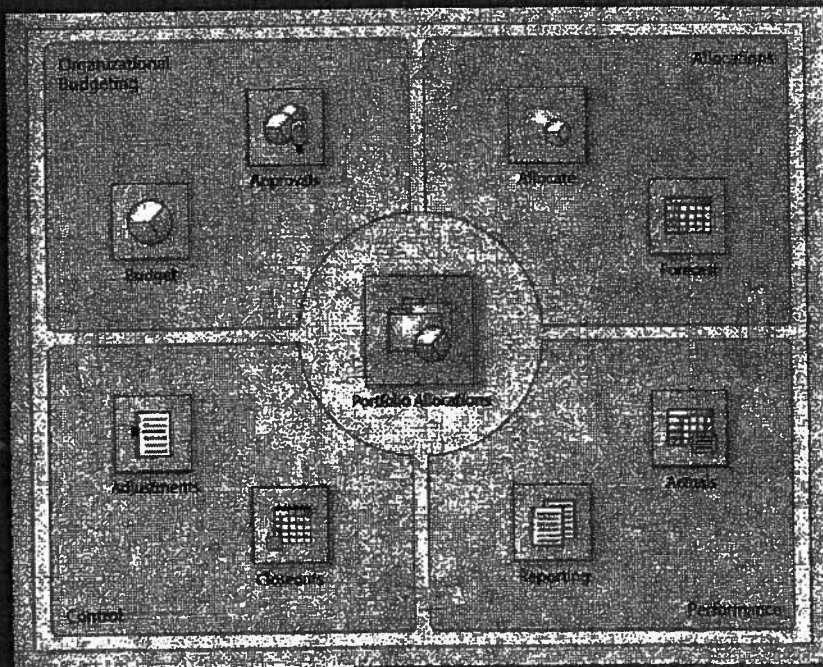


EXHIBIT 3

■ Financial Management Challenges

Effective enterprise-wide financial management can be complex and elusive. While most organizations have moved to commercial software for corporate financials, they are still struggling to execute budgeting and forecasting processes using Excel spreadsheets and manual disconnected processes. Large systems, such as ERPs, have proven cumbersome for corporate budgeting processes and are often disconnected from day to day planning and operations. Executives at well run organizations need to be able to answer the following fundamental questions about their financial performance:

- 1) How much are we spending on any given initiative?
- 2) What are our investment goals and how well are we tracking to them?
- 3) What is our return on any given objective, product line, strategic initiative, etc? Are these efforts worth pursuing?
- 4) What is each manager accountable for?
- 5) How well are we meeting our goals?

If budget planning is not connected to an organization's day to day work, how accurate and realistic can it be?

■ Managing Enterprise Project Financials

Enterprise Project Management (EPM) and Project Portfolio Management (PPM) provide significant opportunities to improve financial management. EPM and PPM are powerful and effective frameworks for increasing transparency, visibility, and organizational efficiency around financials. Projects can be monitored effectively: their impact on budgets and available pools of funding can be accurately measured with the right software and processes. Strategic planning at higher levels can be aligned with day to day decisions.

EcoSys Financial Manager is an enterprise financial management system that's tightly linked to projects, programs, and operations – the engines that your business runs on. It provides top down and bottom up budgeting processes, forecasting, and performance measurement. EcoSys Financial Manager uniquely delivers the capability to integrate your organization's budgeting process from cost centers and portfolios, to programs, projects, and operations.

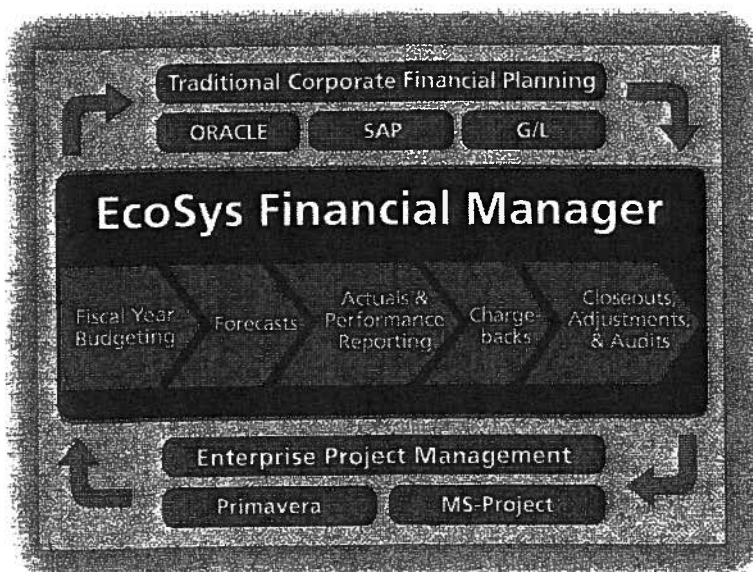
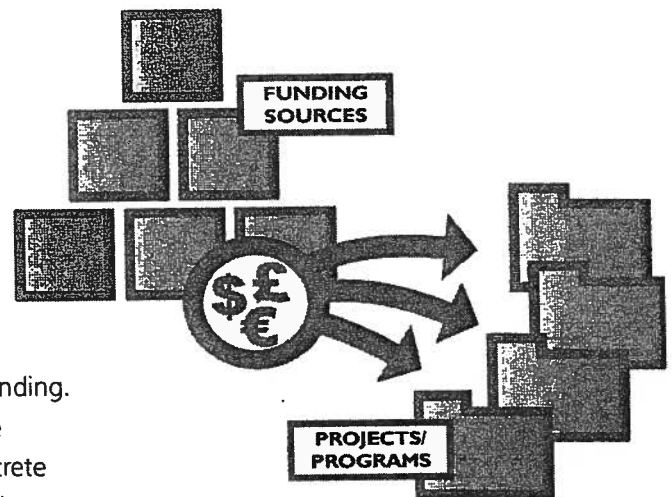


EXHIBIT 3

■ Organizational and Project Budgeting

Use Financial Manager to model your organizational budgeting cycle. Have department managers submit budgets for approval through an easy to use web spreadsheet. Allocate and transfer funds between departments. Budgets requests in Financial Manager are detailed and accurate: they are easily aggregated from operational forecasts in project management systems (Primavera, Microsoft Project) or directly input into Financial Manager. Align budgets with strategic priorities across multiple dimensions.

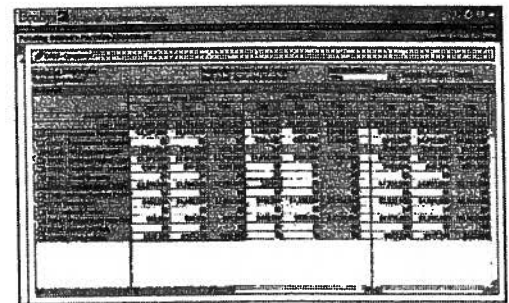
Have project managers create budget requests and submit them for funding. Financial Manager automatically segregates and directs requests to the appropriate funding source based on chargeback percentages and discrete allocations. Funding managers determine how much to allocate to each request. Project managers can easily see how much budget they've received from each funding source.



■ Capital Investment Planning

Maintain annual and multi-year capital budgets. Align budget plans with strategic initiatives, organizational targets, and regulatory commitments. Fund capital initiatives from one or more funding source and differentiate between internal and external sources of funds. Perform what-if analysis of investment scenarios.

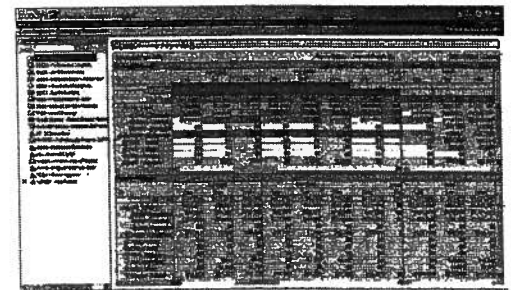
Drive capital investment plans based on real project schedules. Measure actual performance against planned with true financial accuracy.



■ Forecasting

Dynamic and accurate forecasting is essential for monitoring progress against targets. Manage forecasts with easy to use web spreadsheets. Connect forecasts with work plans, project schedules, resource allocations, and planned expenditures.

Financial Manager maintains unlimited versions of forecasts in an auditable repository. Analyze variances and trends. Determine strategic and organizational impacts based on aggregated forecasts, and drill down to detailed planned transactions.



■ Allocations and Chargebacks

Financial Manager provides a robust chargeback system for projects, operations, and services. Project and operational costs can be charged back to business units and profit centers. Costs can be split by percentages, which can vary over time, or specific charges can be directed to specific funding sources. Credit and debit chargeback transactions can be fed from Financial Manager to the General Ledger.

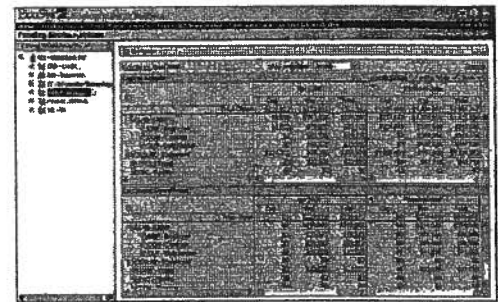


EXHIBIT 3

■ Consolidation and Reconciliation

Financial Manager provides powerful consolidation and reconciliation features that link both project and non-project based financial systems. It allows you to pull in multiple sets of financial data and reconcile at an aggregated level, such as at the cost center, or transaction by transaction.

Financial Manager removes the manual, labor-intensive steps, as well as the errors in typical consolidation and reconciliation processes. Your analysts can spend their time on high value tasks such as performance measurement and variance analysis instead of number crunching.



■ Performance Measurement and Financial Controls

Financial Manager's industrial strength analytical and reporting capabilities support comprehensive financial management needs. Measure performance against project budgets, funds availability, corporate and strategic alignment, and much more. Aggregated performance information is measured against top down budgets and objectives along multiple dimensions.

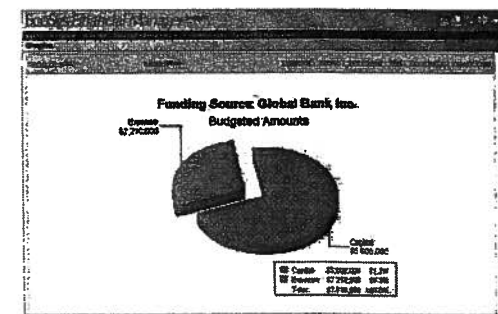
Monthly closeouts, audits, and transactional drill-down validate the transparency and accuracy of the data used for metrics. No other system allows you to see as clearly how projects and operations are impacting the bottom line. By delivering standardized financial controls, Financial Manager drives consistent enterprise wide financial reporting.

2007 Funding Source Budget Summary

Funding Source	Budget	Forecast	Budget/Forecast	Actual/Forecast	Change/Forecast
Global Bank Inc.	\$128,000	\$128,000	100.00%	\$128,000	\$0.00
Over	\$0.00	\$0.00	100.00%	\$0.00	\$0.00
Contract	\$128,000	\$128,000	100.00%	\$128,000	\$0.00
Commodity	\$128,000	\$128,000	100.00%	\$128,000	\$0.00
Insurance	\$128,000	\$128,000	100.00%	\$128,000	\$0.00
Auto	\$128,000	\$128,000	100.00%	\$128,000	\$0.00
Fire	\$128,000	\$128,000	100.00%	\$128,000	\$0.00
Information Technology	\$128,000	\$128,000	100.00%	\$128,000	\$0.00
Business Technology/Services	\$128,000	\$128,000	100.00%	\$128,000	\$0.00
Application Development	\$128,000	\$128,000	100.00%	\$128,000	\$0.00
System/Infrastructure	\$128,000	\$128,000	100.00%	\$128,000	\$0.00
Warranty	\$128,000	\$128,000	100.00%	\$128,000	\$0.00
Process	\$128,000	\$128,000	100.00%	\$128,000	\$0.00
Other	\$128,000	\$128,000	100.00%	\$128,000	\$0.00

■ Capitalization

Ensure a consistent enterprise process for compliance with capitalization rules and standards. Track capital and expense budgets separately. View amortized vs. cash out the door cash flows. Clearly segregate capital and expense charges. Ensure a consistent enterprise process for compliance with software capitalization rules.



■ Integration

Bring in financial data from the best sources available. Integrate with ERPs (Oracle, SAP, PeopleSoft), project management systems (Primavera, Microsoft), proprietary financial systems, timesheet applications, Excel spreadsheets, and data files.

Map cost codes and categories from your various systems into Financial Manager for integrated performance reporting. Financial Manager connects financial data structures to project management and work planning.

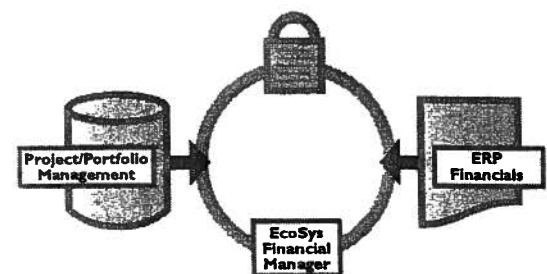


EXHIBIT 3

■ Technical Architecture

Financial Manager is entirely web-based. This architecture eliminates the need for client-side installations, and upgrades are centralized and easy to deploy.

Financial Manager's front-end uses only DHTML and does not require any plug-ins. It is developed with leading-edge AJAX (Asynchronous JavaScript and XML) technology, providing a dynamic and high-performance user experience.

Financial Manager has been architected with performance and enterprise scalability as key elements of its design:

- Runs on Oracle and SQL Server database platforms
- The middle-tier runs on industry-leading application server technologies: IBM WebSphere, BEA Weblogic, and Apache Tomcat
- The web spreadsheet component uses "smart rendering", allowing for thousands of records to be loaded, viewed, and manipulated in seconds
- No Java applets or plug-ins are downloaded to the end-user, eliminating the slow behavior often found with web applications
- Strategic server-side caching speeds up access to common data

The internal data model is automatable and accessible programmatically using industry standard methods, such as SOA (Services Oriented Architecture).



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AGENCY REPORTS

-
- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
 - San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies
-

MAY COMMUTER RAIL REPORT

1. PATRONAGE

San Bernardino Line:

Patronage on the San Bernardino Line increased 2% compared to last month but was down 8% from the same month last year. Preliminary April data is higher than March with a current average of 11,828 passenger trips per weekday.

San Bernardino Line Saturday patronage was up 10% from February. March 2010, however, was almost 5% slower than March 2009. April data-to-date shows quite a bump in Saturday ridership, currently averaging 4,211 passenger trips per Saturday.

Sunday ridership showed a 5% increase from last month as well as a 4% increase from the same month a year ago. As of mid-April, average Sunday ridership is slightly slower than March with a current average of 2,512 passenger trips per Sunday.

Riverside-Ontario-Los Angeles Line:

March average daily ridership on the Riverside Line increased just a bit (<1%) from last month but was up 6% in a year-to-year comparison. A preview look at April data shows a slight dip in patronage with a current average of 5,363 passenger trips per weekday.

Inland Empire-Orange County (IEOC) Line:

Ridership on the IEOC Line increased a bit as well, up almost 2% from February 2010. March 2010, however, was almost 5% slower than March 2009. At this point, April patronage is stronger than March with the current daily average at 4,300 passenger trips per weekday.

Total System:

System wide, average daily ridership held about the same as February. March 2010 was 5% slower than March 2009. Early data for April suggests about the same ridership volume as March with a current average of 40,719 passenger trips per weekday.

Table 1

Average Weekday Daily Ridership*

	<u>San Bernardino</u>	<u>Riverside</u>	<u>IEOC</u>	<u>Systemwide</u>
March 2010	11,769	5,437	4,118	40,629
March 2009	12,829	5,122	4,313	42,890
% Change	- 8.3%	+ 6.1%	- 4.5%	- 5.3%

* Adjusted for Holidays

Table 2

Average Weekend Ridership

	<u>San Bernardino</u> <u>Saturday</u>	<u>San Bernardino</u> <u>Sunday</u>
March 2010	3,734	2,589
March 2009	3,920	2,483
% Change	- 4.7%	+ 4.3%

2. ON-TIME PERFORMANCE (arrival within 5 minutes of scheduled time)

San Bernardino Line:

On-time performance for the San Bernardino Line improved slightly from February to March. Inbound trains held steady at 96% on time while outbound trains picked up two percentage points to finish March 93% on time. Thirty percent of the seventy-three reported delays were due to "other" operations issues. Metrolink operations caused another twenty percent of the delays.

Riverside-Ontario-Los Angeles Line:

March on-time performance for the Riverside Line worsened compared to February. Inbound trains dropped three percentage points to finish March on time 96% of the time. Outbound trains dropped from 96% on time in February to 90% on time in March. Of nineteen reported delays, five were caused by train/engine difficulties and another four were due to signals and communications.

Inland Empire-Orange County (IEOC) Line:

On-time performance results were mixed this month for the IEOC Line. Northbound trains picked up a point while southbound trains dropped two points to finish March 91% and 96% on time, respectively. Dispatching caused seven of the twenty-six reported delays.

Table 3

On Time Performance

% of weekday trains arriving w/in 5 min of scheduled time
(March 2010 vs. March 2009)

	<u>San Bernardino</u>		<u>Riverside</u>		<u>IEOC</u>	
	In	Out	In	Out	So	No
March 2010	96%	93%	96%	90%	96%	91%
March 2009	93%	94%	100%	96%	95%	98%



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

April 6, 2010

Members of the Governing Board:

Chairman
Dr. William A. Burke
Speaker of the Assembly
Appointee

Vice Chairman
Dennis R. Yates
Mayor, Chino
Cities of San Bernardino County

Michael D. Antonovich
Supervisor, Fifth District
County of Los Angeles

Marion Ashley
Supervisor, 5th District
County of Riverside

Michael A. Cacciotti
Councilmember, South Pasadena
Cities of Los Angeles County/
Eastern Region

Bill Campbell
Supervisor, Third District
County of Orange

Jane W. Carney
Senate Rules Appointee

Josie Gonzales
Supervisor, Fifth District
County of San Bernardino

Ronald O. Loveridge
Mayor, City of Riverside
Cities of Riverside County

Joseph K. Lyou, Ph.D.
Governor's Appointee

Judith Mitchell
Councilmember, Rolling Hills Estates
Cities of Los Angeles County/
Western Region

Jan Perry
Councilmember, 9th District
City of Los Angeles Representative

Miguel A. Pulido
Mayor, Santa Ana
Cities of Orange County

To: Mayors and Councilmembers

From: Dennis R. Yates, Mayor/City of Chino
Vice Chairman, South Coast AQMD Governing Board
Representative, Cities of San Bernardino County

Attached are the agenda items and the outcome of the April 2, 2010, AQMD Governing Board meeting, and a preview of the items for discussion at the May 7, 2010 meeting.

PUBLIC HEARING ITEMS AT APRIL 2, 2010 BOARD MEETING:

Annual Report for 2009 on AB 2588 Air Toxics Hot Spots Program
The Air Toxics "Hot Spots" Information and Assessment Act of 1987 (AB 2588) requires local air pollution districts to prepare an annual report. Key accomplishments for 2009 include: (1) reviewed twelve facility health risk assessments (HRAs), (2) conducted one public notification meeting, (3) approved one risk reduction plan, (4) prioritized 330 AB 2588 facilities for FY 2006-07, (5) requested seven and evaluated five detailed Air Toxics Inventory Reports (ATIRs), (6) notified nine facilities to prepare HRAs, (7) updated AB 2588 website information, and (8) reviewed the 2005 Toxics Release Inventory and National-Scale Air Toxics Assessment Data.

Votes: 11 Yes; 0 No; 2 Absent

NOTE: Two public hearing items were continued:

Amend Rule 317 - Clean Air Act Non-Attainment Fees
(Continued from January 8, 2010 Board Meeting)

The public hearing on this item was continued to the May 7, 2010 Board Meeting.

The newly proposed amendments are designed to comply with Section 185 of the federal CAA and incorporate flexibilities afforded pursuant to the recently released guidance by U.S. EPA.

Votes: 9 Yes; 0 No; 1 Abstain; 3 Absent

Amend Rule 1144 - Metalworking Fluids and Direct-Contact Lubricants

The public hearing on this item was continued to the June 4, 2010 Board Meeting.

Rule 1144 was adopted on March 6, 2009 which partially implemented Control Measure CTS-01-Emission Reductions from Lubricants (CTS-01). The current proposal will expand the applicability of the rule to include Direct-Contact Lubricants and Metal Working Fluids by establishing VOC limits effective January 1, 2012. The proposal also prohibits the sale of non-compliant fluids, requires annual sales reporting and product labeling, and incorporates a recently-validated test method for determining VOC content. These amendments will fully implement Control Measure CTS-01.

Votes: 9 Yes; 0 No; 1 Abstain; 3 Absent

PUBLIC HEARINGS SET FOR MAY 7, 2010 BOARD MEETING:

(As noted previously, the April 2 public hearing on the following item was continued to the May 7 Board Meeting: Amend Rule 317 - Clean Air Act Non-Attainment Fees)

Amend Regulation XXVII - Climate Change and Establish Bank for Rule 2702 - Greenhouse Gas Reduction

The proposed amendments include adding a greenhouse gas reduction protocol for boiler and process heater efficiency improvements and would establish a bank for certified emission reductions. The proposed amendments would also no longer require CARB approval of protocols, as they are not providing review of voluntary greenhouse gas protocols.

Amend Regulation III – Fees

Staff is proposing a limited number of amendments to Regulation III - Fees to better align program revenues with program costs with minimal cost impacts. Other proposed amendments clarify rule provisions and make administrative changes that have no revenue impact. Staff is also proposing to adjust fee rates by 2.1% consistent with the CPI increase for this fiscal year.

(As noted previously, the public hearing on the following item was continued to the June 4 Board Meeting: Amend Rule 1193 – Clean On-Road Residential and Commercial Collection Vehicles)

ADDITIONAL INFORMATION

APPOINTING/ELECTING AUTHORITY	REGIONAL COUNCIL (12:00 noon)	POLICY COMMITTEES (RC Members Serve on One Each) (Subregional Appointments) (County Commissions Appoint One to TCC) (10:00 a.m.)		
		Community, Economic, and Human Development	Energy and Environment	Transportation and Communications
District 6 (Grand Terrace, Colton, Loma Linda, Redlands, Yucaipa)	P. Gilbreath			P. Gilbreath
District 7 (San Bernardino, Highland)	L. McCallon	L. McCallon		
District 8 (Rialto, Fontana)	D. Robertson	D. Robertson		
District 9 (Rancho Cucamonga, Upland, Montclair)	P. Eaton		P. Eaton	
District 10 (Chino, Chino Hills, Ontario)	G. Duncan			G. Duncan
District 11 (Barstow, Big Bear, Needles, Twentynine Palms, Yucca Valley)	B. Jahn	B. Jahn		
District 65 (Adelanto, Apple Valley, Hesperia, Victorville)	G. Coleman			
San Bernardino County	G. Oviatt			G. Oviatt
SANBAG Acting as County Transportation Commission	K. Chastain			K. Chastain
SANBAG Subregional Appointees*		B. Cortes	J. Williams	E. Graham
*One appointee to each policy committee for a total of three appointees per subregion, plus one additional appointee for every SCAG District over three in the subregion. SANBAG has a total of seven subregional appointees to the policy committees.		G. Norton-Perry	E. Scott	J. Pomierski
		M. Leonard		

Rules of Appointment

1. SANBAG policy stipulates that all SANBAG appointees be SANBAG Board Members.
2. SCAG President appoints Regional Council members to Standing and Policy Committees.

Terms of Appointment

Terms of appointment for Regional Council members representing odd numbered districts expire immediately following the SCAG General Assembly in April of odd numbered years. Terms of appointment for Regional Council members representing even numbered districts expire immediately following the SCAG General Assembly in May of even numbered years. SANBAG appointments to SCAG Policy Committees are for a term from May through the next regular SCAG general assembly of the following year.

Stipend

SCAG provides Regional Council members \$100 per day for a maximum of four meetings per month, plus mileage. A stipend for the fifth meeting per month may be received on approval by SCAG's Executive Director. SCAG also provides subregional appointees representing SANBAG on SCAG Policy Committees \$70 per meeting.

Meeting Information

The regular meetings of SCAG Regional Council, Standing Committees, and Policy Committees are on the first Thursday of each month at the SCAG Offices located at 818 W. Seventh Street, Los Angeles:

10:00 a.m., Policy Committees

12:00 noon, Regional Council

Policy Committees

Community, Economic, and Human Development: Provides policy recommendations to the Regional Council on subjects of housing, land use, resource, economic, community development, infrastructure, employment, and regional disaster preparedness issues. Reviews and recommends to the Planning Committee revisions to the Housing, Economy, Growth Management, Human Resources, and Finance Chapters of the Regional Comprehensive Plan and Guide.

Energy and Environment: Acts as the policy advisory committee to the Regional Council on environmental issues, including air and water, hazardous, solid waste management, natural resources conservation, and energy conservation. Reviews the Environmental Impact Report of the Regional Comprehensive Plan and Guide. Provides recommendations to the Planning Committee on state and federal legislative proposals and administrative guidelines affecting environmental quality, resource conservation, and

Transportation and Communications: Acts as the policy advisory committee to the Regional Council on all regional matters pertaining to the movement of goods and people on land, water, and air. Reviews and recommends to the Regional Council all major utility development plans. Addresses the location, size, or capacity, timing, and impact of facilities.

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Policy Committee Meeting Times

Only Commuttee Officers	Second Wednesday, 9:00 a.m., SANBAG Offices
Administrative Committee	Third Thursday every other month following the SANBAG Board meeting (Odd Months), 12:00 noon, SANBAG Offices
Commuter Rail & Transit Committee	Second Thursday following the SANBAG Board meeting, 9:00 a.m., SANBAG Offices
Major Projects Committee	Third Friday, 9:00 a.m., Apple Valley
Mountain/Desert Committee	Third Wednesday, 12:00 noon, SANBAG Offices
Plans & Programs Committee	

SANBAG Ad Hoc Committees

COMMITTEE	PURPOSE	MEMBERSHIP
Audit Subcommittee of the Administrative Committee In November 2008, the Board approved the creation of an Audit Subcommittee of the Administrative Committee to strengthen the financial oversight function of the Board. Additional SANBAG Board Members may be appointed annually at the discretion of the Board President.	The responsibilities of the Audit Subcommittee shall be to: <ul style="list-style-type: none"> • Provide a direct contact between the independent auditor and the Board of Directors before, during and after the annual audit. • Work with the auditor and SANBAG staff on reviewing and implementing practices and controls identified in the annual audit. 	Audit Subcommittee (for FY 2008-2009 Audit) - SANBAG President – Paul Eaton, Montclair - Vice President – Brad Mitzelfelt, Supervisor - Immediate Past President – Gary Ovitt, Supervisor - Presidential Appointment – Pat Gilbreath, Redlands
Ad Hoc Committee on Litigation with San Bernardino County Flood Control District In January 2007, the SANBAG President was authorized to appoint an ad hoc review committee of SANBAG Board Members who do not represent local jurisdictions party to the San Bernardino County Flood Control District vs. SANBAG litigation relative to the Colonies Development. In April 2008, the role of this committee was expanded to include the Cactus Basin litigation.	Reviews and provides guidance on litigation with San Bernardino County Flood Control District regarding the Colonies Development and the Cactus Basin in Rialto.	Pat Morris, San Bernardino, Chair Mark Nuaimi, Fontana Pat Gilbreath, Redlands Richard Riddell, Yucaipa Larry McCallon, Highland
Ad Hoc Committee on Consolidated Transportation Services Agency This new Ad Hoc Steering Committee was approved by the Board of Directors on December 2, 2009. The SANBAG President has appointed seven members to the newly created committee. Terms end on or before 12/31/2010.	Makes recommendations to the Commuter Rail and Transit Committee and Board of Directors on designation of a Consolidated Transportation Services Agency for the San Bernardino Valley to coordinate the delivery of transportation services to seniors, disabled persons and persons of low income.	Paul Eaton, Montclair Gary Ovitt, Supervisor Josie Gonzales, Supervisor Pat Morris, San Bernardino Kelly Chastain, Colton Dennis Yates, Chino Richard Riddell, Yucaipa

This list provides information on acronyms commonly used by transportation planning professionals. This information is provided in an effort to assist SANBAG Board Members and partners as they participate in deliberations at SANBAG Board meetings. While a complete list of all acronyms which may arise at any given time is not possible, this list attempts to provide the most commonly-used terms. SANBAG staff makes every effort to minimize use of acronyms to ensure good communication and understanding of complex transportation processes.

AB	Assembly Bill
ACE	Alameda Corridor East
ACT	Association for Commuter Transportation
ADA	Americans with Disabilities Act
ADT	Average Daily Traffic
APTA	American Public Transportation Association
AQMP	Air Quality Management Plan
ARRA	American Recovery and Reinvestment Act
ATMIS	Advanced Transportation Management Information Systems
BAT	Barstow Area Transit
CALACT	California Association for Coordination Transportation
CALCOG	California Association of Councils of Governments
CALSAFE	California Committee for Service Authorities for Freeway Emergencies
CARB	California Air Resources Board
CEQA	California Environmental Quality Act
CMAQ	Congestion Mitigation and Air Quality
CMIA	Corridor Mobility Improvement Account
CMP	Congestion Management Program
CNG	Compressed Natural Gas
COG	Council of Governments
CPUC	California Public Utilities Commission
CSAC	California State Association of Counties
CTA	California Transit Association
CTC	California Transportation Commission
CTC	County Transportation Commission
CTP	Comprehensive Transportation Plan
DBE	Disadvantaged Business Enterprise
DEMO	Federal Demonstration Funds
DOT	Department of Transportation
EA	Environmental Assessment
E&D	Elderly and Disabled
E&H	Elderly and Handicapped
EIR	Environmental Impact Report (California)
EIS	Environmental Impact Statement (Federal)
EPA	Environmental Protection Agency
FHWA	Federal Highway Administration
FSP	Freeway Service Patrol
FRA	Federal Railroad Administration
FTA	Federal Transit Administration
FTIP	Federal Transportation Improvement Program
GFOA	Government Finance Officers Association
GIS	Geographic Information Systems
HOV	High-Occupancy Vehicle
ICTC	Interstate Clean Transportation Corridor
IEEP	Inland Empire Economic Partnership
ISTEA	Intermodal Surface Transportation Efficiency Act of 1991
IIP/ITIP	Interregional Transportation Improvement Program
ITS	Intelligent Transportation Systems
IVDA	Inland Valley Development Agency
JARC	Job Access Reverse Commute
LACMTA	Los Angeles County Metropolitan Transportation Authority
LNG	Liquefied Natural Gas
LTF	Local Transportation Funds

MAGLEV	Magnetic Levitation
MARTA	Mountain Area Regional Transportation Authority
MBTA	Morongo Basin Transit Authority
MDAB	Mojave Desert Air Basin
MDAQMD	Mojave Desert Air Quality Management District
MOU	Memorandum of Understanding
MPO	Metropolitan Planning Organization
MSRC	Mobile Source Air Pollution Reduction Review Committee
NAT	Needles Area Transit
NEPA	National Environmental Policy Act
OA	Obligation Authority
OCTA	Orange County Transportation Authority
PA&ED	Project Approval and Environmental Document
PASTACC	Public and Specialized Transportation Advisory and Coordinating Council
PDT	Project Development Team
PNRS	Projects of National and Regional Significance
PPM	Planning, Programming and Monitoring Funds
PSE	Plans, Specifications and Estimates
PSR	Project Study Report
PTA	Public Transportation Account
PTC	Positive Train Control
PTMISEA	Public Transportation Modernization, Improvement and Service Enhancement Account
RCTC	Riverside County Transportation Commission
RDA	Redevelopment Agency
RFP	Request for Proposal
RIP	Regional Improvement Program
RSTIS	Regionally Significant Transportation Investment Study
RTIP	Regional Transportation Improvement Program
RTP	Regional Transportation Plan
RTPA	Regional Transportation Planning Agencies
SB	Senate Bill
SAFE	Service Authority for Freeway Emergencies
SAFETEA-LU	Safe Accountable Flexible Efficient Transportation Equity Act – A Legacy for Users
SCAB	South Coast Air Basin
SCAG	Southern California Association of Governments
SCAQMD	South Coast Air Quality Management District
SCRRA	Southern California Regional Rail Authority
SHA	State Highway Account
SHOPP	State Highway Operations and Protection Program
SOV	Single-Occupant Vehicle
SRTP	Short Range Transit Plan
STAF	State Transit Assistance Funds
STIP	State Transportation Improvement Program
STP	Surface Transportation Program
TAC	Technical Advisory Committee
TCIF	Trade Corridor Improvement Fund
TCM	Transportation Control Measure
TCRP	Traffic Congestion Relief Program
TDA	Transportation Development Act
TEA	Transportation Enhancement Activities
TEA-21	Transportation Equity Act for the 21 st Century
TMC	Transportation Management Center
TMEE	Traffic Management and Environmental Enhancement
TSM	Transportation Systems Management
TSSDRA	Transit System Safety, Security and Disaster Response Account
USFWS	United States Fish and Wildlife Service
VCTC	Ventura County Transportation Commission
VVTA	Victor Valley Transit Authority
WRCOG	Western Riverside Council of Governments

San Bernardino Associated Governments



MISSION STATEMENT

To enhance the quality of life for all residents, San Bernardino Associated Governments (SANBAG) will:

- Improve cooperative regional planning
- Develop an accessible, efficient, multi-modal transportation system
- Strengthen economic development efforts
- Exert leadership in creative problem solving

To successfully accomplish this mission, SANBAG will foster enhanced relationships among all of its stakeholders while adding to the value of local governments.

Approved June 2, 1993
Reaffirmed March 6, 1996